



Ruling Number:	R23/24-0068
Applicant:	[REDACTED]
Goods:	New tyres, of rubber: <ul style="list-style-type: none">• 195/75R16C• 215/75R17.5, 235/75R17.5 and 9.5R17.5
Composition:	Rubber, steel, nylon, polyester, carbon black
Form:	Complete
Tariff Heading(s) in contention	40.11 New pneumatic tyres, of rubber:
Applicant's opinion	4011.90.40 13E or 4011.90 90 00L
Findings:	Disagree with Applicant 4011.20.12 19E – 195/75R16C 4011.20.12 29B - 215/75R17.5, 235/75R17.5 and 9.5R17.5

AMENDMENT OF RULING

- 1 Section 341(1) of the Customs and Excise Act 2018 allows for the amendment of a ruling to correct any error contained in the ruling.
- 2 This ruling was previously issued on 6 March 2024 and contained an error. This ruling is a correction of that error.
- 3 Under section 341(3) this amendment is effective from 2 April 2024.

INTRODUCTION

- 4 The Applicant, [REDACTED] (client code [REDACTED]) has applied for a Customs Ruling on a tariff classification under section 333(1)(a) of the Customs and Excise Act 2018.
- 5 The goods are new radial tyres (195/75R16C, 215/75R17.5, 235/75R17.5 and 9.5R17.5) (hereinafter referred to as “the goods”).

6 In support of their application, the Applicant has provided:

- Completed application form.
- Mercedes Benz Sprinter van information.

APPLICANT'S SUBMISSION

7 The Applicant's opinion is that the goods are classified under either tariff item 4011.90.40 13E or 4011.90 90 00L.

8 The Applicant states:

"For van and trailer tyres we are seeking confirmation of the applicable tariff code. For the Van tyre as a steel belt radial we do not consider 4011.20 applicable. As a light commercial vehicle we believe the code to be 4011.90.40 13E. Van spec details can be found at the attached brochure for a Mercedes Benz Sprinter van.

For the trailer tyre, also a steel belted radial, we believe the code to be 4011.90.90 00L being for a heavy duty trailer therefore not considered applicable under 4011.20 or 4011.90.40. Refer the following link re the tyre specs

<https://www.maxxistyres.co.nz/products/maxxis-ur275/>

The tyre of trailers to which these trailer tyres are supplied can be found at the following link

<https://modtrans.co.nz/our-range/> (sic)

THE GOODS

9 The goods are new radial tyres, of rubber.

10 The type of tyres outlined in the application are:

- 195/75R16C.
- 215/75R17.5, 235/75R17.5 and 9.5R17.5.

195/75R16C tyres

11 These tyres have a width of 195mm, profile of 75mm and rim diameter of 16 inches or 406.4mm.

12 A 'C' rated tyre (as this is) means that it is a commercial rate tyre that is specifically designed to maintain high loads.

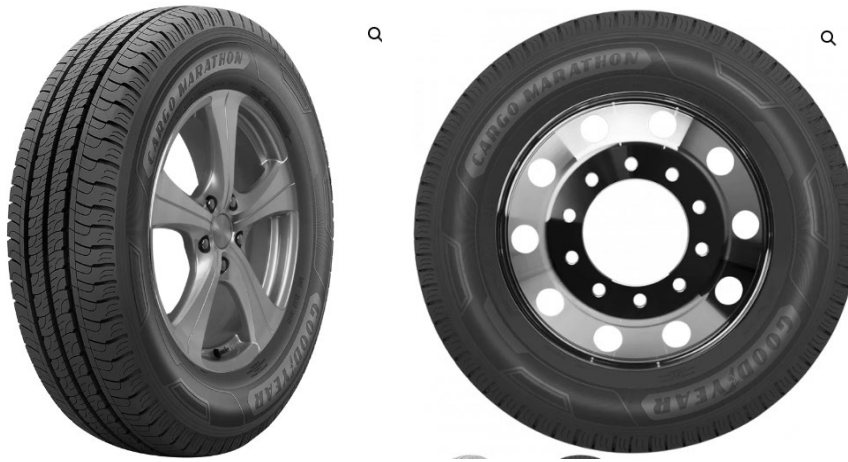
13 It is described through open-source research¹ as "a light commercial vehicle tyre that combines outstanding treadlife with great durability and on-road handling."

14 The information provided by the Applicant included a brochure about the Mercedes Benz sprinter van, however this did not provide any information about the tyres or provide any images.

15 Further information was sought from the broker where he advised that the Mercedes van is factory fitted with 195/75R16C tyres.

¹ <https://advantagetyres.co.nz/shop/goodyear-cargo-marathon-2-195-75r16/> accessed 27/02/2024.

- 16 A specifications sheet was also provided for the Iveco Daily van, which is stated by the broker to be similar to the Mercedes Benz van. This states that there are three tyre options for this vehicle - one of which is the 195/75/R16C.
- 17 Other open-source research all state that this type of tyre is suitable for a “light truck”²
- 18 As there were no close-up images of the Iveco tyres, the following images of 195/75R16C tyres have been extracted from open-source research:



215/75R17.5, 235/75R17.5 and 9.5R17.5 tyres

- 19 These tyres have several widths
 - 215/75R17.5 has a width of 215mm, profile of 75mm, rim diameter of 17.5 inches or 444.5mm.
 - 235/75R17.5 has a width of 235mm, profile of 75mm, rim diameter of 17.5 inches or 444.5mm.
 - 9.5R17.5 has a width of 9.5 inches or 230mm and a rim diameter of 17.5 inches or 444.5mm.
- 20 The website provided by the Applicant³ for the specifications for these tyres states that all these tyre types are for “highway” application.
- 21 This particular website divides its tyres into the types for each type of vehicle, i.e., ‘Passenger and Performance’, ‘SUV’, ‘Light commercial’, ‘Truck & Bus’, ‘Industrial & Loader’ and ‘ATV & Side by Side’.
- 22 It is noted that the tyres specified above are listed under the ‘Truck & Bus’ category, and not under any other category.
- 23 An image of tyres of this type extracted from the website is extracted below:

² <https://www.tyroola.co.nz/hankook-vantra-lt-ra18-10pr-ms-19575r16c-110108r-ty5bc937028b.html> and <https://advantagetyres.co.nz/shop/michelin-agilis-3-195-75r16c/> and <https://www.tyreshoponline.co.nz/shop/195-75r16c-laufenn-lv01-107-105r-8ply/> - all accessed 01/03/2024

³ <https://www.maxxistyres.co.nz/products/maxxis-ur275/> accessed 27/02/2024.



24 Open-source research⁴ was used to obtain information and images of all the tyres listed. The images were all the same as the above and all describe them as suitable for a 'truck'.

THE TARIFF

25 New Zealand is a signatory to the International Convention on the Harmonized Commodity Description and Coding System ("the Harmonized System Convention"). The Working Tariff of New Zealand (the Tariff) implements this convention.

- The Tariff is divided into two parts. All imported goods must be classified, and the first part of the Tariff (Part I) is used for this classification. The second part of the Tariff (Part II) sets out if there are any concessions applicable to the goods.

26 Goods are classified within the Tariff in accordance with the General Rules for Interpretation of the Tariff (GRI). GRI 1 states that classification is determined according to the headings and any relative Section Notes or Chapter Notes. GRI 6 states that classification of goods in the subheadings, items and statistical keys of a heading is determined according to the terms of those subheadings, items and statistical keys and any related Subheading Notes or New Zealand Notes.

LEGAL NOTES

27 There are no applicable Legal Notes.

EXPLANATORY NOTES

28 There are no applicable Explanatory Notes.

CLASSIFICATION RULES

29 Goods are classified within the Tariff in accordance with the General Rules for Interpretation of the Tariff (GRI).

30 There are six rules of interpretation, however for this ruling only GRI 1 and 6 are applicable.

⁴ <https://www.tyroola.co.nz/tyre/215-75-r17.5/> accessed 01/03/2024.

- 31 GRI 1 provides that, for legal purposes, classification shall be determined according to the terms of the headings and any relative Section Notes or Chapter Notes.
- 32 GRI 6 provides that the classification of goods in the subheadings, items and statistical keys of a heading shall be determined according to the terms of those subheadings, items and statistical keys and any related Subheading Notes or New Zealand Notes.

CLASSIFICATION OF GOODS

- 33 The goods are new radial tyres, of rubber (195/75R16C, 215/75R17.5, 235/75R17.5 and 9.5R17.5).
- 34 The first rule of tariff classification interpretation (GRI 1) provides that classification shall be determined according to the terms of the headings. The only heading under consideration is:
- Heading 40.11

New pneumatic tyres, of rubber:

Heading 40.11

- 35 Tariff heading 40.11 is divided into three tariff subheadings, three tariff items with statistical key codes and two tariff items without statistical key codes at the one-dash level:

4011.10	- Of a kind used on motor cars (including station wagons and racing cars):
4011.20	- Of a kind used on buses or lorries:
4011.30.00 00K	- Of a kind used on aircraft
4011.40.00 00C	- Of a kind used on motorcycles
4011.50.00 00G	- Of a kind used on bicycles
4011.70.00	- Of a kind used on agricultural or forestry vehicles and machines
4011.80.00	- Of a kind used on construction, mining or industrial handling vehicles and machines
4011.90	- Other:

195/75R16C tyres

- 36 The Mercedes Benz website⁵ shows images of the rear of the van with pallets and boxes loaded into it and refers to its 'load compartment'. This shows that the van is designed to allow for the loading of equipment.

⁵ <https://www.mercedes-benz.co.nz/vans/models/sprinter/panel-van/overview.html> accessed 27/02/2024.

- 37 However, these vehicles can also have seating inserted into them. This means that these types of vehicles can be used for carrying goods or for carrying people, without there being a tyre difference.
- 38 These tyres are stated by the Applicant to be for use on vans. Open-source research describes these tyres as being a 'light commercial vehicle tyre', or for use on a 'truck'.
- 39 As a result, these tyres are 'of a kind used on buses or lorries', and there is no need to consider the 'other' tariff subheading as a classification has already been determined.

215/75R17.5, 235/75R17.5 and 9.5R17.5 tyres

- 40 These tyres are stated by the Applicant to be for use on trailers. The website provided by the Applicant states that these tyres are for "highway" application and are listed under their 'Truck & Bus' category, and not under any other category, and are also described on other websites as being for use on a 'truck'.
- 41 The 215/75R17.5 Maxxis tyre is stated to be for "Premium Highway | Steer / Trailer Premium Highway Steer | Trailer"⁶
- 42 Information obtained from Tyewise and from open-source research⁷ advises that steer tyres are used for the front axle of a truck trailer – some can be interchangeable with other positions of the truck, and that steer tires can be considered to be the most important tyre position on a commercial semi-truck.
- 43 While the Applicant states that these tyres are used on trailer, they do not appear to be marked as 'ST' meaning 'Special Trailer'. These ST tyres are those that are used exclusively on trailers.
- 44 As these tyres do not have this marking and are described as being for use on a truck, and not exclusively for trailers, in my opinion these tyres fall under either 'of a kind used on buses or lorries' or 'other'.
- 45 It is not considered that they are of a kind used on a bus, but as the tyres have been described as being for use on a truck, is a 'truck' the same as a 'lorry'?
- 46 There is no definition within the Working Tariff, or supporting Explanatory Notes that describes a lorry. Therefore, we must look to other research to ascertain a description.
- 47 Open-source research⁸ states that:
- "The terms lorry and truck can be confusing for those not in the industry, but the reality is that both terms can be used interchangeably. 'Truck' is often used in American contexts while the word 'lorry' is more common in the United Kingdom."*

⁶ <https://franklinmotors.nz/product/215-75r17-5-maxxis-ur275-16pr-135-133k-tyre/> accessed 04/03/2024.

⁷ <https://commercial.bridgestone.com/edoes-it-matter-does-it-man-us/truck-and-bus/steer-tires#> accessed 04/03/2024.

⁸ <https://www.autotrader.co.uk/trucks/content/what-s-the-difference-between-a-truck-and-a-lorry?refresh=true> accessed 01/03/2024.

48 Another description⁹ is:

“Truck is used in American English, and is common in Canada, Australia, New Zealand, Pakistan and South Africa, while lorry is the equivalent in British English, and is the usual term in countries like Ireland, Malaysia, Singapore and India.”

49 As a result, it appears that ‘truck’ and ‘lorry’ are interchangeable terms, and for this reason, in my opinion, all the listed tyre types meet the description of being ‘Of a kind used on buses or lorries’ under the tariff subheading of 4011.20.

Summary

50 All the tyres listed fall under tariff subheading 4011.20.

Tariff subheading 4011.20

51 Tariff subheading 4011.20 is divided into two unnumbered tariff subheadings at the two-dash level:

- - For use in the assembly of motor vehicles as may be determined by the Minister in accordance with Section 14 of this Act:
- - Other:

52 These tyres will not be used in the assembly of motor vehicles; therefore, the goods fall under the ‘other’ unnumbered tariff subheading.

53 This tariff subheading is divided into two tariff items at the three-dash level:

- 4011.20.12 - - - Internal rim diameter less than 495 mm
- 4011.20.18 - - - Other

54 These tyres have an internal rim diameter of either 16 inches or 17.5 inches – which equates to 406.4 mm and 444.5 mm. As a result, all these tyre types have an internal rim diameter of less than 495 mm and fall under tariff item 4011.20.12.

55 This tariff item is divided into three unnumbered statistical key codes at the four-dot level:

- Light truck (internal rim diameter not exceeding 360 mm (regardless of ply rating):
- Other light truck:
- Other:

56 All these tyre types have an internal rim diameter that exceeds 360 mm, so this eliminates them from the first option. This leaves ‘other light truck’ and ‘other’.

57 There is no definition of a ‘light truck’ in the Working Tariff Document of New Zealand or the accompanying Legal Notes or Explanatory Notes.

⁹ <https://en.wikipedia.org/wiki/Truck#:~:text=Truck%20is%20used%20in%20American,%2C%20Malaysia%2C%20Singapore%20and%20India>. accessed 01/03/2024.

- 58 However, it is noted that vehicles for the transport of goods under tariff heading 87.04 are divided into “g.v.w. not exceeding 5 tonnes”, “g.v.w. exceeding 5 tonnes but not exceeding 20 tonnes” and “g.v.w. exceeding 20 tonnes”. From this, it can be reasonably concluded that these divisions relate to small, medium and large/heavy vehicles for the transport of goods aka trucks/lorries.
- 59 Based on this premise, the following has been concluded.

195/75R16C tyres

- 60 As stated above, these are commercial rated tyres and are described as being “light commercial vehicle tyres” and suitable for a “light truck”.
- 61 Based on the website <https://www.tyreteam.co.nz/tr-loadindex.html> this tyre has a load/speed index of 107/105R which means that the load capacity is 975 kg / 925 kg and a speed of 170 km. Therefore, the load capacity for four tyres would be around 4000 kg.
- 62 Based on this calculation, it would be classified as a ‘light truck’ as it falls under “g.v.w¹⁰. not exceeding 5 tonnes’.
- 63 As a result, in my opinion, these tyres fall under the unnumbered statistical key code of ‘other light truck’.
- 64 This code is divided into two numbered statistical key codes at the five-dot level:
- 11K Bias ply
 - 19E Radial ply
- 65 This tyre is a radial ply, so falls under statistical key code 19E.

215/75R17.5, 235/75R17.5 and 9.5R17.5

- 66 These tyres are classified under the website as being ‘truck & bus’ tyres, rather than in other categories such as ‘light commercial’.
- 67 As a result, they are classed differently than the tyres listed above and appear to be designed for heavier loads.
- 68 Based on the website <https://www.tyreteam.co.nz/tr-loadindex.html> the following applies. It should be noted that 17.5 tyres would normally be fitted to a vehicle with dual rear wheels and single front wheels, so six tyres per vehicle, however for these purposes the calculations have been based on the vehicle having four wheels/tyres.
- 215/75R17.5
- This tyre has a load/speed index of 135/133K which means that the load capacity is 2180 kg / 2060 kg and a speed of 110 km. Therefore, the load capacity would be 8,240 – 8,720 kg.
- Based on this calculation, it would be classified as a ‘medium truck’ as it falls under “g.v.w. exceeding 5 tonnes but not exceeding 20 tonnes”.

¹⁰ g.v.w means gross vehicle weight.

- 235/75R17.5

This tyre has a load/speed index of 132/130M which means that the load capacity is 2000 kg / 1900 kg and a speed of 130 km. Therefore, the load capacity would be 7,600 – 8,000 kg.

Based on this calculation, it would be classified as a ‘medium truck’ as it falls under “g.v.w. exceeding 5 tonnes but not exceeding 20 tonnes”.

- 9.5R17.5

This tyre has a load/speed index of 143/141K which means that the load capacity is 2725 kg / 2575 kg and a speed of 110 km. Therefore, the load capacity would be 10,300 to 10,900 kg.

Based on this calculation, it would be classified as a ‘medium truck’ as it falls under “g.v.w. exceeding 5 tonnes but not exceeding 20 tonnes”.

69 As there is no equivalent of ‘medium truck’ in the tariff item 4011.20.12, in my opinion, these tyres all fall under the unnumbered statistical key code of ‘other’.

70 This category is divided into two numbered statistical key codes at the five-dot level:

21G Bias ply

29B Radial ply

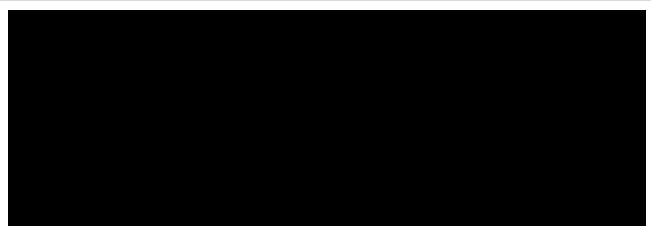
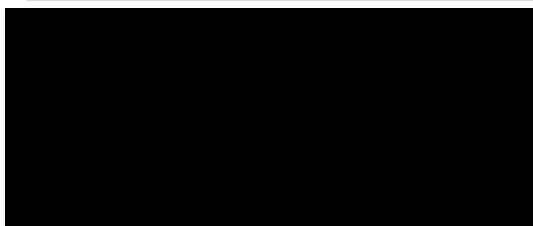
71 These tyres are all radial ply, so fall under statistical key code 29B.

DECISION

72 The new radial tyres, of rubber are classified as follows:

- 195/75R16C – is classified with Tariff item 4011.20.12 19E by application of GRIs 1 and 6 in the Working Tariff Document of New Zealand.
- 215/75R17.5, 235/75R17.5 and 9.5R17.5 are classified with Tariff item 4011.20.12 29B by application of GRIs 1 and 6 in the Working Tariff Document of New Zealand.

Peer reviewed by:



Date: 26 March 2024

Date: 28 March 2024