



Ruling Number:	R23/24-0067
Applicant:	[REDACTED]
Goods:	New tyres, of rubber – P332 Bushmate
Composition:	Rubber
Form:	Complete
Tariff Heading(s) in contention	40.11 New pneumatic tyres, of rubber:
Applicant's opinion	4011.70.00 39K
Findings:	Disagree with Applicant 4011.90.90 00L

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 26 February 2024.
- 3 Further information has been provided which meant that the ruling issued on 26 February 2024 contained an error. This ruling is a correction of that error.
- 4 Under section 341(3) this amendment is effective from 16 July 2024.

INTRODUCTION

- 5 The Applicant, [REDACTED] has applied for a Customs Ruling on a tariff classification under section 333(1)(a) of the Customs and Excise Act 2018.
- 6 The goods are P332 Bushmate new tyres (hereinafter referred to as “the goods”).
- 7 In support of their application, the Applicant has provided:
 - Completed application form.

- Website link about the tyre <https://geotyres.com.au/products/18-8-50-8-bushmate-p332> (accessed 12/07/2024)

APPLICANT'S SUBMISSION

8 The Applicant's opinion is that the goods are classified under tariff item 4011.70.00 39K.

9 The Applicant also states:

"The goods are designed for lawn & garden utility vehicles. Our client considers them as agricultural tyres therefore the H.S. code would be under 401170. As these vehicles are not used for modern agricultural industry such as raising livestock, cultivating the soil or raising crop hence tariff code should fall under 4011700039k other agricultural tyres"

THE GOODS

10 The goods are P332 Bushmate new pneumatic tyres, of rubber.

11 The website information provided by the Applicant states that the tyre is an "18x8.50-8 P332 (6 Ply) Bushmate Turf Mower" and states that:

"The Bushmate 18x8.50-8 P332 is an excellent choice for all-around lawn and garden use on riding mowers and other equipment. This versatile turf tyre is designed to deliver optimal performance while being gentle on your lawn, ensuring your green spaces remain pristine."

12 That website also states that these tyres have the following specifications:

Size	18x8.50-8
Tyre Width	8.50
Aspect Ratio/Tyre Height	18
Rim Size	8
Ply Rating	6 PR

13 An image of the tyre is shown below:



THE TARIFF

14 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.

- 15 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

- 16 There are no applicable Legal Notes.

EXPLANATORY NOTES

- 17 There are no applicable Explanatory Notes.

CLASSIFICATION RULES

- 18 Goods are classified within the Tariff in accordance with the General Rules for Interpretation of the Tariff (GRI).
- 19 There are six rules of interpretation, however for this ruling only GRI 1 and GRI 6 are applicable.
- 20 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.
- 21 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

- 22 The goods are a P332 Bushmate new pneumatic tyre, of rubber.
- 23 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

24 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:

25 The application states that these tyres will be used on lawn and garden utility vehicles.

26 The Applicant has advised that the 'P' on the tyre stands for 'Pattern' not 'Passenger' as stated in the previous ruling.

27 Further open-source research¹ has confirmed that the letters used on turf tyres varies from other forms of vehicles and the P does stand for pattern.

28 For this reason, the goods have been eliminated from the heading of 'of a kind used on motor vehicles'. These goods have also been eliminated from 'of a kind used on' buses or lorries, aircraft, motorcycles, bicycles, construction, mining or industrial vehicles and machines as none of these types are applicable for lawn and garden vehicles.

29 This leaves 'of a kind used on' agricultural or forestry vehicles and machines' and 'other'.

30 The Applicant has also stated that these tyres will not be used in the agricultural industry on vehicles used for raising livestock, cultivating the soil or raising crop.

31 Open-source research² describes 'agriculture' as "the science, art, or practice of cultivating the soil, producing crops, and raising livestock and in varying degrees the preparation and marketing of the resulting products."

32 US CROSS ruling (number H122251)³ has classified tyres for lawn mowers in 4011.99.85 (which is the equivalent of 4011.90.90 in the New Zealand Tariff)

¹ <https://www.thegrit.com.au/blog/our-blog/how-to-interpret-the-information-on-a-ride-on-mowe/>

² <https://www.merriam-webster.com/dictionary/agriculture> (accessed 24/05/2024)

³ <https://rulings.cbp.gov/search?term=H122251&collection=ALL&sortBy=RELEVANCE&pageSize=30&page=1> (accessed 24/05/2024)

provides the reasoning for the classification of tyres for lawn mowers, other lawn, garden, or horticultural vehicles.

33 That ruling states that lawn and garden vehicles are not considered agricultural pursuits because they do not provide for the substantial requirements of life and comfort but rather are used for the grooming and caring for lawns.

34 As lawn and garden vehicles are not deemed to be for agricultural purposes, the tyres that are associated with those vehicles are also not classified under the subheading 'of a kind used for agricultural vehicles or machines'.

35 Therefore, despite the 'P' standing for 'pattern' rather than 'passenger, the use of these tyres remains the same and my opinion remains that these tyres are classified under the 'Other' tariff heading of 4011.90.

36 Tariff subheading 4011.90 is divided into two unnumbered tariff subheadings at the two-dash level:

- - Having a "herring-bone" or similar tread:

- - Other:

37 These tyres do not have a "herring-bone or similar tread"; therefore, the goods fall under the 'other' unnumbered tariff subheading.

38 This tariff subheading is divided into one unnumbered tariff subheading and one tariff item with a statistical key code at the three-dash level:

- - - Of a kind used on light commercial vehicles:

4011.90.90 00L

- - - Other

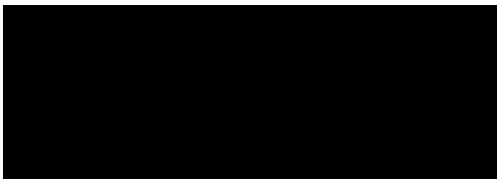
39 The tyres will not be used on light commercial vehicles. As a result, the goods fall under tariff item 4011.90.90.00L.

DECISION

40 The P332 Bushmate new pneumatic tyre, of rubber, is classified with Tariff item 4011.90.90 00L by application of GRIs 1 and 6 in the Working Tariff Document of New Zealand.

Peer reviewed by:

Signature:



Signature:



SCO – Valuation, Origin and Classification

SCO – Valuation, Origin and Classification

Date: 12 July 2024

Date: 15 July 2024