


# NetChoice

## Maintaining Access to De Minimis Is Essential For Small Businesses

Under the current “de minimis threshold,” goods valued under a certain value incur no import duties and are subject to minimal clearance procedures and data requirements when entering the United States. This allows retailers to ship low-value packages purchased online, directly to customers, without having to navigate unnecessary red tape.

Congress recognized the benefit of de minimis in 2016 when it raised the threshold from \$200 to \$800, allowing U.S. Customs to instead focus on bigger-ticket items generating the most revenue. Now, some lawmakers are looking to roll back de minimis, which risks fueling inflation for businesses and consumers, adding more uncertainty to an already fragile economy.


### 3 reasons why maintaining the de minimus threshold is critical for small businesses and the U.S. economy:



The de minimis threshold helps keep costs low, especially important at a time when prices continue to remain stubbornly high. The National Foreign Trade Council estimates eliminating de minimis could double costs for businesses and consumers alike, adding up to around \$47 billion in extra expenses annually.



Smaller businesses are more likely than larger ones to ship products in small batches. They also have fewer resources to spend on administrative tasks. Therefore, small businesses face a disproportionately high cost of compliance with import procedures for low-value parcels. De minimis helps reduce these costs.



With supply chains still recovering from COVID, time-consuming and burdensome clearance procedures for low-value packages can be pricey for governments, consumers, and businesses alike. The last thing lawmakers should be considering is raising taxes and increasing red tape for small businesses still reeling from economic instability.

