



Ruling Number:	R23/24-0091
Applicant:	██████████
Goods:	New pneumatic tyre, of rubber; namely: <ul style="list-style-type: none">• 265/70R19.5 143/141 18PR
Composition:	Rubber
Form:	Complete
Tariff Heading(s) in contention	40.11 New pneumatic tyres, of rubber:
Applicant's opinion	No opinion provided
Findings:	Tariff item 4011.20.18 09F

INTRODUCTION

- 1 The Applicant, ██████████ has applied for a Customs Ruling on a tariff classification under section 333(1)(a) of the Customs and Excise Act 2018.
- 2 The goods are new pneumatic tyres of rubber; namely 265/70R19.5 143/141 18PR (hereinafter referred to as "the goods").
 - In support of their application, the Applicant has provided a completed application form.

APPLICANT'S SUBMISSION

- 3 The Applicant has not provided an opinion on the application.
- 4 The Applicant states:

"Applicant is seeking ruling on goods for tariff item to ensure that the correct Tyre Stewardship Fee is applied to these goods."



THE GOODS

6 The goods are new pneumatic tyres of rubber; namely 265/70R19.5 143/141 18PR.

7 The codes on this tyre have the following meanings:

- 265 – this is the width of the tyre, including the outer edge of the sidewalls in millimetres.
- 70 is the height of the tyre.
- R – stands for it being a radial tyre.
- 19.5 – refers to the rim diameter of the tyre, which equates to 495.3 mm.
- The 143/141 refers to the load index – i.e. the load capacity or maximum weight a tyre can carry with a full load and the right amount of air.

According to website <https://www.tyreteam.co.nz/tr-loadindex.html> this equates to 2725kg / 2575kg.

There is no speed index letter on the application form, but open-source research¹ has these tyres with 'J' speed index which equates to the tyre having a maximum speed of 100km/h.

- 18PR – means that the tyre has an 18-ply rating.

8 No images or further information was provided about the tyre, but several website references were provided.

9 These describe this tyre as a 'free rolling trailer tyre'², a fuel efficient, long wearing, small diameter trailer tire, with a long tread life due to having a wider tread and "massive shoulders"³.

10 The following image was extracted from open-source research:



¹ <https://www.tyroola.co.nz/kumho-krt03-18pr-26570r195-143141j-ty5bc936bcac.html>

² <https://www.bridgestone.co.nz/tyres/nz/bridgestone/r109/11002826>

³ <https://business.michelinman.com/tires/michelin-x-line-energy-t-19-5>

THE TARIFF

- 11 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.
- 12 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

- 13 There are no applicable Legal Notes.

EXPLANATORY NOTES

- 14 There are no applicable Explanatory Notes.

CLASSIFICATION RULES

- 15 Goods are classified within the Tariff in accordance with the General Rules for Interpretation of the Tariff (GRI).
- 16 There are six rules of interpretation, however for this ruling only GRI 1 and 6 are applicable.
- 17 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.
- 18 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

- 19 The goods are new pneumatic tyres of rubber; namely 265/70R19.5 143/141 18PR.
- 20 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

21 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:

22 The average weight of a motor car tyre is 9.5kg. This tyre is between 38-40kg in weight. Therefore, it is not of a kind used on motor cars. It is also not of a kind used on aircraft, motorcycles, bicycles, agricultural, forestry, construction, or mining vehicles.

23 This leaves two options: 'of a kind used on buses or lorries' and 'other'.

24 The website (<https://www.tyroola.co.nz/kumho-krt03-18pr-26570r195-143141j-ty5bc936bcac.html>) has this tyre listed as being suitable for a truck and regular or long-distance travel.

25 Other open-source research⁴ states that these tyres are suitable for a truck trailer.

26 Information already provided on the Customs website⁵ states that if a trailer tyre is the same as what would be used on a motor car under 4011.10 (for example) then the tyre is classified under that heading regardless of what type of vehicle is towing the trailer.

27 This tyre is stated as being suitable for being towed by a truck, but is it the same as a truck tyre?

28 Open-source research⁶ has this tyre recorded under the 'Truck' category and shows images of trucks with these tyres either in any position of the truck or only in the trailer position of the truck as shown in the images below.



⁴ <https://www.heuver.com/webshop/product/b26570195kujkmt00/265-70r19-5-kumho-kmt01-143-141j-18pr-tl-m-s> and <https://www.bridgestone.co.nz/tyres/nz/bridgestone/r109/11002826>

⁵ <https://www.customs.govt.nz/about-us/news/important-notice/fee-for-regulated-tyres-under-the-waste-minimisation-tyres-regulations-2023/>

⁶ <https://www.heuver.com/webshop/product/b26570195aejc2801/265-70r19-5-aeolus-agc28-143-141j-tl-m-s-3pmsf>

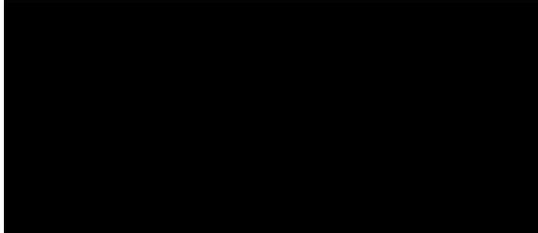
- 29 The 'other' category can only be used if none of the preceding options can be considered to cover the goods.
- 30 There is no definition within the Working Tariff, or supporting Explanatory Notes that describes a lorry. However, open-source research⁷ states that 'truck' and 'lorry' are interchangeable terms.
- 31 As a result, in my opinion, these tyres are classified under tariff subheading 4011.20, and therefore, tariff subheading 4011.90 is eliminated from consideration due to the goods being able to be classified without moving further through the tariff classification options.
- 32 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:
- 33 These tyres will not be used in the assembly of motor vehicles; therefore, the goods fall under the 'other' unnumbered tariff subheading.
- 34 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
- 35 These tyres have an internal rim of 495.3 mm, which means that these tyres must be classified under the 'Other' tariff item of 4011.20.18.
- 36 This tariff item is divided into two statistical key codes at the four-dot heading:
- 01L Bias ply
 - 09F Radial ply
- 37 These tyres are radial ply, so therefore they fall under statistical key code 09F.

⁷ <https://www.autotrader.co.uk/trucks/content/what-s-the-difference-between-a-truck-and-a-lorry?refresh=true> and <https://en.wikipedia.org/wiki/Truck#:~:text=Truck%20is%20used%20in%20American,%2C%20Malaysia%2C%20Singapore%20and%20India> (both accessed 15/03/2024)

DECISION

38 The 265/70R19.5 143/141 18PR new pneumatic tyre of rubber is classified in Tariff item 4011.20.18 09F by application of GRIs 1 and 6 in the Working Tariff Document of New Zealand.

Peer reviewed by:



SCO – Valuation, Origin and Classification

SCO – Valuation, Origin and Classification

Date: 30 April 2024

Date: 30 April 2024
