

Exports from the Virgin Islands to the United States, like those from Guam and American Samoa, are within the reach of the provision allowing them preferential treatment if no more than 50% of their total value is attributable to foreign materials. (See General Headnote 3(a) to the Tariff Schedules of the United States, 19 USC § 1202, quoted above). See, however, 48 USC § 1394, which seems to speak to the same group of exports, but which imposes a lower ceiling on the value of foreign materials contained therein:

§ 1394. Customs duties and internal-revenue taxes. There shall be levied, collected, and paid upon all articles coming into the United States or its possessions from the Virgin Islands the rates of duty and internal-revenue taxes which are required to be levied, collected, and paid upon like articles imported from foreign countries: Provided, That all articles, the growth or product of, or manufactured in, such islands, from materials the growth or product of such islands or of the United States, or of both, or which do not contain foreign materials to the value of more than 20 per centum of their total value, upon which no drawback of customs duties has been allowed therein, coming into the United States from such islands shall be admitted free of duty. In determining whether such a Virgin Islands article contains foreign material to the value of more than 20 per centum, no material shall be considered foreign which, at the time the Virgin Islands article is entered, or withdrawn from warehouse, for consumption, may be imported into the continental United States free of duty generally.