

Issue: Classification of Drones

Items at issue: Described as per Item 1 and 2

Possible classification: Heading 85.25 as a camera, heading 88.06 as unmanned aircraft or heading 95.03 as a toy

Description of goods:

- **Item 1:** Presented as a drone in a box as a set for retail sale with the below features:
 - Equipped with 45° adjustable 720P High Definition camera with thermal infrared video, FPV (Front person view) function and GPS Module
 - Equipped with 4 Propeller Guards to protect you from spinning propellers and ensure the drone's propellers from the collision
 - Equipped with a brushless motor & Ultrasonic and collision avoidance sensors
 - 2 intelligent batteries for up to 22 minutes ultra-long flight time
 - Flight range: flying distance of 2 to 4 kms
 - Flying time: 30 minutes
 - Speed Adjustment functions
 - Headless Mode Wheel base: 350mm
 - Altitude Hold Mode
 - Weight: 1.6 kgs

The digital camera is equipped with 2.54 cm, 20 megapixel CMOS sensor and can capture photos and record videos and is provided with an active tracking function enabling it to easily recognize objects.

- **Item 2:** Presented as drone (Quadcopter) presented in a box as a set for retail sale with the below features:
 - 6-Axis Gyro
 - Altitude Hold & One Key Take Off / Land
 - Headless Mode & One Key Return
 - Not equipped with camera, GPS or gimbals
 - 2.4Ghz Radio remote Control
 - Wheelbase: 120mm
 - Flying distance: 50 to 80 metres
 - 3D Flips
 - Variable Speed

Matters under consideration:

- Heading 85.25: “Transmission apparatus for radio-broadcasting or television, whether or not incorporating reception apparatus or sound recording or reproducing apparatus; television cameras, digital cameras and video camera recorders.”
- Heading 88.06: “Unmanned aircraft.”
- Note 1 to Chapter 88:

“For the purposes of this Chapter, the expression “unmanned aircraft” means any aircraft, other than those of heading 88.01, designed to be flown without a pilot on board. They may be designed to carry a payload or equipped with permanently integrated digital cameras or other equipment which would enable them to perform utilitarian functions during their flight.

The expression “unmanned aircraft”, however, does not cover flying toys, designed solely for amusement purposes (heading 95.03).”

- Explanatory Note (page XVII-8806-1) to Heading 88.06:

“Unmanned aircraft may be designed to carry a payload or equipped with permanently integrated digital cameras or other equipment to be used for utilitarian functions such as the carriage of cargo or passengers, aerial photography, agricultural or scientific work, rescue duties, fire-fighting, surveillance, or for military purposes.

The heading also excludes flying toys or models designed solely for recreational or amusement purposes, and that are not designed to perform utilitarian functions. They can be distinguished, for example by their low weight, limited height, distance or time they can fly, maximum speed, inability to fly autonomously or inability to carry a load/cargo, or because they are not equipped with sophisticated electronic apparatus (e.g. Global Positioning Systems, night flight requirements or nocturnal visibility) (heading 95.03).”

- Heading 95.03: “Tricycles, scooters, pedal cars and similar wheeled toys; dolls’ carriages; dolls; other toys; reduced-size (“scale”) models and similar recreational models, working or not; puzzles of all kinds.”

Basis of ruling:

Item 1 is a drone equipped with camera and allows recording of videos and capturing of images and thus according to the above mentioned notes of chapter 88 and Explanatory Notes to heading 88.06, the product at issue is classifiable under heading 88.06, subheading 8806.22.00 by application of GIRs 1, Note 1 to Chapter 88 & GIR 6.

Item 2 is a drone with no other equipment or sophisticated apparatus. It is designed solely for flying and entertainment and is classifiable as a toy under heading 95.03, subheading 9503.00.99 by application of GIRs 1 & 6.