BUREAU OF INDUSTRY AND SECURITY FREQUENTLY ASKED QUESTIONS LUXURY GOODS CURRENT AS OF MAY 2, 2022

Q1: What 'luxury goods' are subject to export controls under the new Russia and Belarus-related export controls?

A1: There are two 'luxury goods'-related license requirements that apply to exports, reexports or transfers (in-country) involving Russia and Belarus:

- I) A license is required to export, reexport, or transfer (in-country) to or within Russia or Belarus any 'luxury good' that is subject to the EAR and identified in supplement no. 5 to part 746. This requirement applies to all end users in both countries.
- II) A license is required to export, reexport, or transfer (in-country) any 'luxury good' that is subject to the EAR and identified in supplement no. 5 to part 746, to certain Russian or Belarusian oligarchs and malign actors, regardless of their location. These individuals are designated on OFAC's List of Specially Designated Nationals and Blocked Persons (SDN List) with any of the following designations: [RUSSIA-EO14024], [UKRAINE-EO13660], [UKRAINE-EO13661], [UKRAINE-EO13662], [UKRAINE-EO13685], [BELARUS], and [BELARUS-EO14038]. (OFAC website)

Q2: Are 'luxury goods' determined by dollar value, and if so, is there a dollar limit?

A2: For clothing and footwear that are considered 'luxury goods' and listed in supplement no. 5 to part 746 of the EAR, a license is required, as stated in A1, when the per unit value of each individual item of clothing or pair of shoes is equal to or greater than U.S. \$1,000 (wholesale price). There is no minimum dollar value for the other 'luxury goods' listed in supplement no. 5.