



MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress

Date approved

I. Background

Bill number:

Sponsor name:

Sponsor state:

Interested entity:

Name

City

State

Other bills on product (112th Congress only):

Nature of bill:

Expiration date:

Current or previous chapter 99 heading:

Retroactive date:

CAS number (if applicable):

Industry analyst:

Telephone:

Tariff Affairs contact:

Telephone:

Note:

1. Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff_affairs/congress_reports/.
2. In regard to the country(ies) of origin listed in section III, this report focuses on dutiable imports and does not take into account any tariff preference programs or special rates of duty.

II. Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Shearing machines used to cut metallic tissue, numerically controlled, the foregoing certified for use in production of radial tires designed for off-the-highway use with a rim measuring 63.5 cm or more in diameter (provided for in subheading 4011.20.10, 4011.61.00, 4011.63.00, 4011.69.00, 4011.92.00, 4011.94.40, or 4011.99.45), and parts thereof (provided for in subheading 8462.31.00 or 8466.94.85)

(If enacted, the tariff relief provided for in this bill would be available to any entity that imports the product that is covered by the bill.)

Description above compared with bill as introduced:

- Same
 Different (see Technical Comments section)

III. Other product information, including uses/applications and source(s) of imports

The subject products are shearing machines (and their related parts) that are custom built for use in the production of tire components. The machines are used to cut metallic wire, metallic tissue (steel tire cord belts), and/or stranded wire (tire bead). Steel cord belts are composed of steel filaments or wires woven together to form cord. The cord is then woven into a belt that is used to reinforce the rubber in radial tires. Tire bead is a loop of high-strength steel cable coated with rubber that is positioned on the inner diameter of the tire to seat the tire on the wheel rim. During the operation, the cutting of the metallic tissue or wire is performed by a blade that is actuated by either hydraulic or mechanical means. The term "numerical controlled" refers to computer numerically controlled units, in which the control system adds fully automatic programmable positioning and feed rate control of the machine's axis movement relative to the workpiece, as well as automatic control of other functions. The principal U.S. import sources of these machines are China, France, and Japan.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	8462.31.00 or 8466.94.85 (See VI. Continuation)				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty or percentage point reduction (%)	4.5	4.5	4.5	4.5	4.5
Estimated value of <i>dutiable</i> imports (\$)	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
Customs revenue loss (\$)	405,000	405,000	405,000	405,000	405,000

Note: Customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ. Regarding the HTS subheading listed in the article description of the bill, the Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only U.S. Customs and Border Protection is authorized to issue a binding ruling on this matter. The Commission believes that Customs should be consulted prior to enactment of the bill.

Dutiable imports were based on (more than one may apply):

- Official statistics of the U.S. Department of Commerce
 Provided by industry sources
 Industry information
 Commission estimates

Duty reduction notes:

- This bill is not a duty reduction
 This bill is a temporary duty reduction. Rates are shown below.

Col.1-general duty rate (%) Temporary rate (%) Percentage point reduction (%)

V. Technical comments

None

VI. Continuation

Estimated effect on customs revenue - continued:

HTS No. 8462.31.00 (4.4%)

2013 - 264,000

2014 - 264,000

2015 - 264,000

2016 - 264,000

2017 - 264,000

HTS No. 8466.94.85 (4.7%)

2013 - 141,000

2014 - 141,000

2015 - 141,000

2016 - 141,000

2017 - 141,000

The rate shown in the main table is a weighted average rate and not the actual HTS rate or a percentage point reduction.

VII. Contacts with domestic firms/organizations

#	Firm/organization and contact name	Telephone number	Claims same or competing product made in the United States	Submission attached	Opposition noted
1	Michelin North America, Inc. (Interested entity) Stan Pech	864-458-6600	No	No	No
2	Bartell Machinery Systems, LLC Jerry Eisnehart	315-336-7600	No	No	No
3	Bridgestone Americas Steven Akey	202-354-8220	No	No	No
4	Davis-Standard, LLC Joe Wnuk	860-599-1010	No	No	No
5	Goodyear Tire & Rubber Co. Isabel Jasinowski	202-682-9250	No	No	No
6	King Machine Michael J. Wells	704-583-0486	No	No	No
7	Kobelco Stewart Bolling, Inc. David Sealfon	330-655-3113	No	No	No
8	McNeil & NRM, Inc. Bill McNamara	330-253-2525	No	No	No
9	Northeast Tire Mold Stephanie Sipe	330-376-6107	No	No	No
10	Rogers Industrial Products, Inc. John R. Cole	330-535-3331	No	No	No
11	RJS Corp. Raymond Slezak	330-896-2387	No	No	No
12	RMS Equipment, LLC Greg Thewes	330-564-1360	No	No	No
13	RRR Development Co., Inc. Bob Irwin	330-966-8855	No	No	No
14	Spadone-Hypex, Inc. Jim Hasson	215-396-8005	No	No	No
15	Steelastic Co., LLC Brian Fetzer	330-633-0505	No	No	No

112TH CONGRESS
2D SESSION

H. R. 4840

To extend the temporary suspension of duty on certain manufacturing equipment.

IN THE HOUSE OF REPRESENTATIVES

APRIL 26, 2012

Mr. WILSON of South Carolina introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To extend the temporary suspension of duty on certain manufacturing equipment.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. CERTAIN MANUFACTURING EQUIPMENT.**

4 (a) IN GENERAL.—Heading 9902.84.81 of the Har-
5 monized Tariff Schedule of the United States (relating to
6 certain manufacturing equipment) is amended by striking
7 the date in the effective period column and inserting “12/
8 31/2015”.

9 (b) EFFECTIVE DATE.—The amendment made by
10 subsection (a) applies to goods entered, or withdrawn from

- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of enactment of this Act.

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