



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)):

Parts (provided for in subheading 8477.90.85) of machines for molding or forming pneumatic tires of a type provided for in subheading 8477.51.00 or 8477.59.01, numerically controlled, the foregoing machines not containing in a single housing both components for assembling tire components and for curing green tires to be used in the production of tubeless radial tires designed for off-the-highway use, such tires with section widths measuring 68.86 cm or more but not exceeding 149.9 cm and a rim measuring 124.4 cm but not exceeding 160.02 cm as provided for in subheading 4011.94.40

(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 parts of machines for molding or forming pneumatic tires. Such machines are designed for the forming and molding of tires for certain large off-the-highway earthmover haulage vehicles. These parts are classified under HTS subheading 8477.90.85; however, parts that are specifically provided for (such as fasteners and other parts of general use) or which are subject to any of the HTS section XVI or chapter 84 notes will not fall in subheading 8477.90.85. The principal sources of U.S. imports of the subject products are Japan, China, Germany, and Italy.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	8477.90.85				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty or percentage point reduction (%)	3.1	3.1	3.1	3.1	3.1
Estimated value of <i>dutiable</i> imports (\$)	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Customs revenue loss (\$)	124,000	124,000	124,000	124,000	124,000

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

Although the article description set forth above was modified to conform to normal HTS usage, it is nonetheless likely to be confusing, and there is overlapping product coverage between this bill and other bills for complete machinery that also contain "parts" language. H.R. 5368 covers some of the subject product as H.R. 5367, however, H.R. 5368 provides for a duty

suspension rather than the duty reduction set forth in H.R. 5367. Information available from the interested entity does not sufficiently clarify the intent of H.R. 5367 and H.R. 5368.

VI. Continuation

--

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	Bridgestone Americas (Interested entity) Steven Akey	202-354-8220	No	No	No
2	Bartell Machinery Systems, LLC Jerry Eisnehart	315-336-7600	No	No	No
3	Davis-Standard, LLC Joe Wnuk	860-599-1010	No	No	No
4	Goodyear Tire & Rubber Co. Isabel Jasinowski	202-682-9250	No	No	No
5	King Machine Michael J. Wells	704-583-0486	No	No	No
6	Kobelco Stewart Bolling, Inc. David Sealfon	330-655-3113	No	No	No
7	McNeil & NRM, Inc. Bill McNamara	330-253-2525	No	No	No
8	Michelin North America, Inc. Stan Pech	864-458-6600	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. 5368

To reduce temporarily the rate of duty on certain machinery for molding
unvulcanized rubber for tubeless radial tires.

IN THE HOUSE OF REPRESENTATIVES

MAY 7, 2012

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

A BILL

To reduce temporarily the rate of duty on certain machinery
for molding unvulcanized rubber for tubeless radial tires.

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 MACHINERY FOR MOLDING**
4 **UNVULCANIZED RUBBER FOR TUBELESS RA-**
5 **DIAL TIRES.**

6 (a) IN GENERAL.—Subchapter II of chapter 99 of
7 the Harmonized Tariff Schedule of the United States is
8 amended by inserting in numerical sequence the following
9 new heading:

“	9902.01.00	Numerically controlled machinery for molding or otherwise forming uncured, unvulcanized rubber to be used in production of tubeless radial tires designed for off-the-highway earthmover (haulage) use, with section widths measuring 68.86 cm or more but not greater than 149.9 cm and rim diameters measuring 124.4 cm but not greater than 160.02 cm, such tires of a type classified in subheading 4011.94.40, and parts of such machinery (provided for in subheading 8477.90.85)	Free	No change	No change	On or before 12/31/2015	”.
---	------------	---	------	-----------	-----------	-------------------------	----

1 (b) **EFFECTIVE DATE.**—The amendment made by
2 subsection (a) applies to articles entered, or withdrawn
3 from warehouse for consumption, on or after the 15th day
4 after the date of the enactment of this Act.

○