



## 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/](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)):

Cast-iron engine crankcases for marine propulsion engines, each measuring more than 1.1 m in length (provided for in subheading 8409.99.92)

(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 for powerful marine diesel engines producing 1000-3000 KW of power, such as engines for ferries and commercial workboats. This crankcase is the large steel block of the engine which supports the crankshaft and the main bearings. It also houses the cylinder assemblies and provides the passages for cooling water and lubrication oil. The crankcase is a steel casting which is typically rough machined at the foundry, then finish machined at an engine factory. The engine blocks are structurally designed to be very light weight while still having the strength to withstand the high loads associated with the high power output of the engines. This product is imported primarily from Germany, but other import sources include Mexico, Japan, Finland. Opposition is noted below in the Contacts table.

## IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	8409.99.92				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty or percentage point reduction (%)	2.5	2.5	2.5	2.5	2.5
Estimated value of <i>dutiable</i> imports (\$)	18,000,000	19,000,000	21,000,000	22,000,000	24,000,000
Customs revenue loss (\$)	450,000	475,000	525,000	550,000	600,000

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

The article description was modified only to replace "meters" with "m" for conformity with normal HTS usage.

## 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	Tognum America, Inc. (Interested entity) John Gallagher Robert Kyle	703-812-4857 202-637-5600	No	No	No
2	American Foundry Society Stephanie Salmon	202-783-1080	No	No	No
3	Atlas-Industries Jim Elfring	419-355-1000	No	No	No
4	Cummins Marya Rose Todd Wieland	812-377-3892	No	No	No
5	Dana Corp. Marc Levin	419-535-4500	No	No	No
6	Delphi David Sherbin Dina Vizzaccaro	248-813-2490	No	No	No
7	Ellwood Group Renee Butler	724-752-3680	No	No	No
8	General Electric Veronica Nosko	202-637-4000	No	No	No
9	General Motors Brad Welling	202-775-5041	No	No	No
10	Mahle Jeff Trent	423-318-3124	No	No	No
11	Motor and Engine Manufacturers Association (MEMA) Catherine Boland	202-312-9241	No	No	No
12	National Marine Manufacturers Association (NMMA) Lauren Dunn	202-737-9752	No	No	No
13	National Tooling and Machining Association (NTMA) Christie Carmigiano	800-248-6862	No	No	No
14	Probe Industries Tim Lyons	310-784-2977x2910	No	No	No
15	Stanadyne Edward May	860-525-0821	No	No	No

112TH CONGRESS  
2D SESSION

# H. R. 5524

To suspend temporarily the duty on cast-iron engine crankcases for marine propulsion engines, each measuring more than 1.1 meters in length.

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IN THE HOUSE OF REPRESENTATIVES

MAY 7, 2012

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

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## A BILL

To suspend temporarily the duty on cast-iron engine crankcases for marine propulsion engines, each measuring more than 1.1 meters in length.

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. CAST-IRON ENGINE CRANKCASES FOR MARINE**  
4 **PROPULSION ENGINES, EACH MEASURING**  
5 **MORE THAN 1.1 METERS IN LENGTH.**

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	Cast-iron engine crank-cases for marine propulsion engines, each measuring more than 1.1 meters in length (provided for in subheading 8409.99.92)	Free	No change	No change	On or before 12/31/2015	”.
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1           (b) **EFFECTIVE DATE.**—The amendment made by  
2 subsection (a) applies to goods entered, or withdrawn from  
3 warehouse for consumption, on or after the 15th day after  
4 the date of the enactment of this Act.

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