



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)):

Pistons for marine propulsion engines, such pistons each weighing 12 kg or more (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 product is a part for a very powerful, marine diesel engine producing 1000 to 3000 KW of power, such as engines for ferries and commercial work boats. These pistons transform the energy of the expanding gases in the cylinder to mechanical energy. Each piston rides up and down inside the cylinder liner, with a set of rings to seal the gap between the two surfaces. The pistons are cast with a special alloy steel for the upper cap, which allows them to withstand the high pressures and temperatures seen in high speed diesel engines. The skirt, or lower part, of the piston is made of aluminum alloy to save weight relative to an all-steel piston more commonly found in this type of engine. The principal sources of U.S. imports are Germany, Mexico, Japan, and Finland.

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 (\$)	16,000,000	17,000,000	19,000,000	20,000,000	21,000,000
Customs revenue loss (\$)	400,000	425,000	475,000	500,000	525,000

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 set forth above was modified slightly for greater clarity about the specified weight.

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	Cummins Marya Rose Todd Wieland	812-377-3892	No	No	No
3	Dana Corp. Marc Levin	419-535-4500	No	No	No
4	Delphi David Sherbin Dina Vizzaccaro	248-813-2490	No	No	No
5	Federal Mogul Steven Gaut	248-354-7826	No	No	No
6	GE Veronica Nosko	202-637-4000	No	No	No
7	GM Brad Welling	202-775-5041	No	No	No
8	Hitachi USA Doug Bowling	859-734-8087	No	No	No
9	Mahle Jeff Trent	423-318-3124	No	No	No
10	Motor and Engine Manufacturers Association (MEMA) Catherine Boland	202-312-9241	No	No	No
11	National Marine Manufacturers Association (NMMA) Lauren Dunn	202-737-9752	No	No	No
12	Probe Industries Tim Lyons	310-784-2977, x2910	No	No	No
13	Wiseco R. Carder	440-951-6600	No	No	No
14	Stanadyne Edward May	860-525-0821	No	No	No

112TH CONGRESS
2D SESSION

H. R. 5528

To suspend temporarily the duty on pistons for marine propulsion engines,
each weighing 12 kilograms or more.

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

A BILL

To suspend temporarily the duty on pistons for marine
propulsion engines, each weighing 12 kilograms or more.

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. PISTONS FOR MARINE PROPULSION ENGINES,**

4 **EACH WEIGHING 12 KILOGRAMS OR MORE.**

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

“	9902.01.00	Pistons for marine propul- sion engines, each weighing 12 kg or more (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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