

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress¹**

[Date approved: November 4, 2005]²

Bill No. and sponsor: H.R. 2302 (Mr. Jim Ramstad of Minnesota).

Proponent name, location: Honeywell International Inc., Morristown, NJ.

Other bills on product (109th Congress only): None.

Nature of bill: Extension of existing temporary duty suspension through Dec. 31, 2010.³

Retroactive effect: None.

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

12V Lead-acid storage batteries, of a kind used for the auxiliary source of power for burglar or fire alarms and similar apparatus of subheading 8531.10.00 (provided for in subheading 8507.20.80).

Check one: Same as that in bill as introduced.⁴
 Different from that in bill as introduced (see Technical comments section).

Product information, including uses/applications and source(s) of imports:

These 12-volt lead-acid storage batteries are designed to provide immediate standby electrical power for burglar and fire alarms and similar apparatus when the main sources of electricity are unavailable. During charging, a direct current is passed through the battery, creating a number of chemical changes; this process is reversed when the battery is connected to an external circuit to provide power. Lead-acid batteries typically have an electrolyte of sulphuric acid with lead plates/grids filled with a paste of active material, enclosed in a container.

Although the nominal voltage of this battery is 12 volts, this voltage varies during routine operation. Voltage is a function of the anode and cathode materials, electrolyte composition, and temperature. The subject batteries are offered with different capacities, which roughly represent the number of ampere hours available from a fully charged battery. The batteries are also manufactured in a variety of configurations, with end-use requirements and limitations determining battery selection for specific applications. The batteries covered by this duty suspension are imported from China and Korea.

¹ Industry analyst preparing report: Deborah McNay (202-205-3425); Tariff Affairs contact: Jan Summers (202-205-2605).

² An electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

³ The subject product is eligible for duty-free entry under HTS heading 9902.03.87 through December 31, 2006.

⁴ No change in the article description of HTS heading 9902.03.87 is suggested.

Estimated effect on customs revenue:

HTS subheading: 8507.20.80					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	3.5%	3.5%	3.5%	3.5%	3.5%
Estimated value <i>dutiable</i> imports	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000
Customs revenue loss ^{1/}	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500

^{1/} The revenue loss data for 2005-2006 reflect the existing duty suspension under heading 9902.03.87 through December 31, 2006.

Source of estimated dutiable import data: Commission staff and industry estimates.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	US production of same or competitive product claimed?	Submission attached?	Opposition noted?
Honeywell International, Inc. (Proponent) Art Simonetti, 202-662-2671	9/1/2005	No	No	No
Battery Council International George Kerchner, gkerchner@WRF.com	9/1/2005	No	No	No

Technical comments:⁵ None.

⁵ The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

109TH CONGRESS
1ST SESSION

H. R. 2302

To extend the suspension of duty on certain 12-volt batteries.

IN THE HOUSE OF REPRESENTATIVES

MAY 11, 2005

Mr. RAMSTAD introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To extend the suspension of duty on certain 12-volt batteries.

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 12-VOLT BATTERIES.**

4 (a) IN GENERAL.—Heading 9902.03.87 of the Har-
5 monized Tariff Schedule of the United States (relating to
6 certain 12V lead-acid storage batteries) is amended by
7 striking the date in the effective period column and insert-
8 ing “12/31/2010”.

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 the enactment of this Act.

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