

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: April 20, 2006]²

Bill No. and sponsor: H.R. 3310 (Mr. Mike Ross of Arkansas).

Proponent name, location: Wal-Mart Stores, Inc., Bentonville, Arkansas.

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

Nature of bill: Temporary duty suspension through December 31, 2008.

Retroactive effect: None.

Suggested article descriptions for enactment (including appropriate HTS subheading):

Artificial flowers, of other than man-made textile fibers (provided for in subheading 6702.90.65).

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

Product information, including uses/applications and sources of imports:

The artificial flowers noted above are those that are produced from other than plastics, feathers, and man-made fibers such as silk, glass, mulberry paper, latex, hand-made paper, wood, and clay. In addition to artificial flowers, this subheading also covers artificial foliage, fruit, and parts thereof (including stems and leaves). All of the articles noted above are principally used in decorative floral displays. The principal sources of U.S. imports of these articles are China and France.

Estimated effect on customs revenue:

HTS subheading: 6702.90.65					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	17%	17%	17%	17%	17%
Estimated value <i>dutiable</i> imports	\$4,000,000	\$4,500,000	\$4,500,000	\$4,500,000	\$4,500,000
Customs revenue loss	\$680,000	\$765,000	\$765,000	\$765,000	\$765,000

Source of estimated dutiable import data: Official U.S. Government statistics, U.S. industry estimates, and Commission staff estimates.

¹ Industry analyst preparing report: Ralph Watkins (202-205-3492); 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.

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?
Wal-Mart Stores, Inc. (Proponent) Mr. Tres Bailey, 202-737-2806	11/08/2005	No	No	No
Floral Marketing Assn. Ms. Kathy Means, 302-738-7100	11/04/2005	No	No	No

Technical comments:³

Because artificial flowers, foliage, and fruit made from man-made fibers are classified in HTS subheading 6702.90.35, the words “of other than” should be inserted after the parenthesis and before “man-made fibers” in the suggested article description for proposed subheading 9902.05.70 to accurately reflect the product coverage of HTS subheading 6702.90.65.

³ 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. 3310

To suspend temporarily the duty on artificial flowers.

IN THE HOUSE OF REPRESENTATIVES

JULY 14, 2005

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

A BILL

To suspend temporarily the duty on artificial flowers.

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. ARTIFICIAL FLOWERS.**

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

“	9902.05.70	Artificial flowers (man-made fibers) (provided for in sub-heading 6702.90.65)	Free	No change	No change	On or before 12/31/2008	”.
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8 (b) EFFECTIVE DATE.—The amendment made by
9 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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