

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 110th Congress¹**

[Date approved: March 26, 2008]²

Bill No. and sponsor: H.R. 3977 (Mr. McKeon of California).

Proponent name,³ location: Anza Sport Group, Inc., Mechanix Wear, Valencia, California.

Other bills on product (110th Congress only): None.

Nature of bill: To amend the Harmonized Tariff Schedule to clarify the rate for certain mechanics' work gloves.

Retroactive effect: None.

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

For the purposes of subheading 6216.00.41, the term "mechanics' gloves" means gloves having the following characteristics: synthetic leather palms and fingers; fourchettes of synthetic leather or of fabric of nylon or elastomeric yarn; backs comprising either one layer of knitted fabric of elastomeric yarn or three layers with the outer layer of knitted fabric of elastomeric yarn, the center layer of foam and the inner layer of tricot fabric, the foregoing whether or not including a thermoplastic rubber logo or pad on the back; and elastic wrist straps with molded thermoplastic rubber hook-and-loop closures.

Mechanics' gloves.

Check one: ___ Same as that in bill as introduced – for note and tariff subheading.
 X Different from that in bill as introduced (see Technical comments section).

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

The subject specialty auto mechanics' gloves are classified in HTS subheading 6216.00.58 (nonenumerated man-made fiber gloves with fourchettes, other than gloves designed specifically for sports), dutiable at a general rate of 20.7¢/kg + 10.4 percent ad valorem (11.0 percent ad valorem equivalent (AVE) based on 2006 and year-to-date 2007 trade data). Under proposed HTS subheading 6216.00.45 (man-made fiber mechanics' gloves), the gloves would be dutiable at a general rate of 2.8 percent ad valorem (the same rate as most man-made fiber sports gloves). The subject gloves are used as specified by professional auto-racing teams or by general automotive mechanics. This bill would provide to the subject mechanics' gloves the duty treatment now applicable to gloves specially designed for use in sports. The change would effectively overturn various Customs Headquarters Rulings of September 10, 2003 (HQ 966431 et al.), which held that these gloves were not properly classifiable as "specially

¹ Industry analyst preparing report: Don Sussman (202-205-3331); Tariff Affairs contact: Janis Summers (202-205-2605).

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

³ The sponsor/proponent did not identify any additional beneficiaries of this bill.

designed sports gloves” because the intended wearers were not themselves the participants in a sport but either were supporting crewmembers or were functioning separately as mechanics in auto repair shops.⁴

The subject gloves are imported mostly from China and, to a lesser extent, from Vietnam.

Estimated effect on customs revenue:

The information in the following tabulation represents only a portion of the imported goods reported under HTS statistical reporting number 6216.00.5820.

HTS subheading: 6216.00.58					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty (AVE) <u>1/</u>	11.0%	11.0%	11.0%	11.0%	11.0%
Estimated value <i>dutiable</i> imports	\$21,850,000	\$21,850,000	\$21,850,000	\$21,850,000	\$21,850,000
Customs revenue loss <u>2/</u>	\$1,791,700	\$1,791,700	\$1,791,700	\$1,791,700	\$1,791,700

1/ AVE is the ad valorem equivalent of a specific or compound duty rate expressed as a percent, using year-to-date 2007 data. The AVE for these gloves during the period is 11.0 percent. The new provision would have an AVE of 2.8 percent during the period. The difference between the two rates is 8.2 percent, and the revenue loss shown reflects that figure.

2/ These data are based on estimates provided by the largest importer of this product. E-mail and telephone communication with Monte Ward, Advanced Capitol Consulting, December 4, 12, and 19, 2007.

Source: Industry and Commission estimates.

⁴ These gloves are not affected by the U.S. Customs and Border Protection (CBP) memorandum (TBT-05-011) issued in May 2005, which reclassified certain sports apparel made with thick non-textile protective guards from the sports apparel provisions in HTS chapters 61 and 62 to sports equipment in HTS chapter 95. The subject gloves are not considered to be sports gloves, as explained in Customs HQ 966431 discussed above, and thus were not covered by the memorandum.

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

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Anza Sport Group, Inc., (Proponent) Mechanix Wear, Valencia, California	12/04/2007	No	No	No
Advanced Capitol Consulting Monte Ward, 202-236-9079	12/04/2007	No	No	No
Carolina Glove Company Robert Abernathy, 828-46-1132 x122	12/18/2007	No	No	No
International Glove Association Carol Burdge, 814-328-5208	12/18/2007	No	No	No
U.S. Glove Company John Widdemer, 800-874-5683	12/18/207	No	No	No

Technical comments:⁵

The special duty rate shown for originating goods under the United States-Morocco Free Trade Agreement should be 0.9%, rather than 1.2%. The column 2 duty rate should be shown on the same line as the general duty rate.

We note that the term “work” as an adjective for gloves is not currently used in the HTS, and that a common distinguishing feature of “work gloves” is the absence of fourchettes in many of them. To reduce confusion and to avoid introducing a new term, we suggest that consideration be given to amending the proposed legal note and tariff subheading as shown on page 1 of this report.

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.

110TH CONGRESS
1ST SESSION

H. R. 3977

To amend the Harmonized Tariff Schedule of the United States to clarify the tariff rate for certain mechanics' work gloves.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 25, 2007

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

A BILL

To amend the Harmonized Tariff Schedule of the United States to clarify the tariff rate for certain mechanics' work gloves.

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 NON-KNIT MECHANICS' WORK**
4 **GLOVES.**

5 (a) AMENDMENT TO HTS.—

6 (1) IN GENERAL.—Chapter 62 of the Har-
7 monized Tariff Schedule of the United States is
8 amended by inserting in numerical sequence the fol-
9 lowing new subheading, with the article description

1 having the same degree of indentation as the article
2 description for subheading 6216.00.43:

6216.00.47	Mechanics' work gloves	2.8%	Free (A, AU, BH, CA, CL, E, IL, J, JO, MX, P, SG) 1.2% (MA)	45%	”.
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3 (2) STAGED RATE REDUCTION.—Any staged re-
4 duction of a special rate of duty set forth in sub-
5 heading 6216.00.46 of the Harmonized Tariff
6 Schedule of the United States, that was proclaimed
7 by the President before the date of the enactment of
8 this section, shall apply to the corresponding special
9 rate of duty set forth in subheading 6216.00.47 of
10 such Schedule, as added by paragraph (1), and sub-
11 heading 6216.00.47 shall be accorded the same
12 staged reductions proclaimed by the President after
13 such date of enactment for the corresponding rates
14 of duty in subheading 6216.00.46.

15 (b) ADDITIONAL U.S. NOTE.—The Additional U.S.
16 Notes to chapter 62 of the Harmonized Tariff Schedule
17 of the United States are amended by adding at the end
18 the following:

19 “3. For the purposes of subheading 6216.00.47,
20 the term ‘mechanics’ work gloves’ means gloves hav-
21 ing the following characteristics: synthetic leather
22 palms and fingers; fourchettes of synthetic leather or
23 of fabric of nylon or elastomeric yarn; backs com-

1 prising either one layer of knitted fabric of elas-
2 tomeric yarn or three layers with the outer layer of
3 knitted fabric of elastomeric yarn, the center layer
4 of foam and the inner layer of tricot fabric, the fore-
5 going whether or not including a thermoplastic rub-
6 ber logo or pad on the back; and elastic wrist straps
7 with molded thermoplastic rubber hook-and-loop clo-
8 sures.”.

9 (c) EFFECTIVE DATE.—The amendments made by
10 this section apply to articles entered, or withdrawn from
11 warehouse for consumption, on or after the 15th day after
12 the date of the enactment of this Act.

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