

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 111th Congress¹**

[Date approved: March 5, 2010]²

Bill No. and sponsor: S. 2236 (Mrs. Dianne Feinstein of California).

Proponent name,³ location: Mattel, Inc., El Segundo, CA.

Other bills on product (111th Congress only): None.

Nature of bill: Extension of duty suspension through December 31, 2011.

Retroactive effect: None.

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

Bags (provided for in subheading 4202.92.45) for transporting, storing, or protecting goods of heading 9503 or 9504, imported and sold with such articles therein.

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 source(s) of imports:

The subject articles are bags made of vinyl or similar plastics and are designed for the transportation, storage, and/or protection of toys or games. These bags are imported with these items but are subject to separate classification under the cited HTS chapter 42 subheading; the toys or games are themselves free of duty under the two chapter 95 headings. The bags are sold with the toys inside, packaged as a retail-ready ensemble. These goods are often thematically decorated, zippered backpacks or small hand-held containers intended for long-term use with the items depicted on their printed surfaces or visible inside. Trade sources indicate that such articles are imported from China and Indonesia.⁴

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

² Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff_affairs/congress_reports/.

³ The sponsor and proponent stated there are more than 10 beneficiaries (numerous retailers and suppliers) of this bill.

⁴ Although Indonesia is a designated beneficiary developing country under the Generalized System of Preferences (GSP), this subheading is not designated as eligible for GSP.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 4202.92.45:

	2010	2011	2012	2013	2014
Col. 1-General rate of duty	20%	20%	20%	20%	20%
Estimated value <i>dutiable</i> imports ^a	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000
Customs revenue loss ^{b c}	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000

a/ Dutiable import estimates were based on official U.S. Government statistics and estimates provided by industry sources.

b/ At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ.

c/ The general duty rate for the subject goods was suspended through the end of 2009 under HTS heading 9902.01.28.

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)		
Mattel, Inc. (Proponent) Thomas St. Maxens, 202-966-9000	12/14/2009	No	No	No
Toy Industry Association Barry Levy, 212-425-0055	01/08/2010	No	No	No
Travel Goods Association Nate Herman, 703-797-9062	01/08/2010	No	No	No

Technical comments:⁵

Because heading 9502 has been deleted from the tariff schedule, it is suggested that the article description of heading 9902.01.78 be modified as shown on page 1 of this memorandum.

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.

111TH CONGRESS
1ST SESSION

S. 2236

To extend the temporary suspension of duty on certain bags for toys.

IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 2009

Mrs. FEINSTEIN introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To extend the temporary suspension of duty on certain bags
for toys.

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. EXTENSION OF DUTY SUSPENSION ON CERTAIN**
4 **BAGS FOR TOYS.**

5 (a) IN GENERAL.—Heading 9902.01.78 of the Har-
6 monized Tariff Schedule of the United States (relating to
7 certain bags for toys) is amended by striking “12/31/
8 2009” and inserting “12/31/2011”.

9 (b) EFFECTIVE DATE.—The amendment made by
10 subsection (a) applies with respect to goods entered, or

2

- 1 withdrawn from warehouse for consumption, on or after
- 2 the 15th day after the date of the enactment of this Act.

○