

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: April 23, 2010]²

Bill No. and sponsor: S. 2269 (Mrs. Dianne Feinstein of California).

Proponent name³, location: Hitachi America, Ltd., Brisbane, CA.

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

Nature of bill: Extension of temporary duty suspension through December 31, 2011.⁴

Retroactive effect: Applicable to entries made December 31, 2006.

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

Camcorders each capable of recording and reproducing video images on mini-DVD media in all the following formats: DVD-R, DVD-RW, DVD-RAM, or DVD+RW, the foregoing camcorders each with an internal hard disk drive and photo frame-grab capability (provided for in subheading 8525.80.50).

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:

A camcorder is an electronic device combining a video camera and video recorder in one unit. These camcorders record video images onto media known as mini-DVDs, which are optical recording discs measuring 80 mm in diameter. There are four separate recording formats for mini-DVD media: DVD-R, DVD-RW, DVD-RAM, or DVD+RW. The camcorders of interest to the proponent can record and reproduce images using all of these formats. These camcorders can also record video images on an internal hard disk drive and save a single video frame as a still image.

China is the main source of such camcorders, with \$732 million in dutiable imports in 2009. The subheading referenced in the proposed heading covers other goods in addition to the subject camcorders, but separate import data are not collected on the precise class of goods covered by the bill.

¹ Industry analyst preparing report: John Kitzmiller (202-205-3387); 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/proponent did not identify any additional beneficiaries of this bill.

⁴ Heading 9902.23.36 expired on December 31, 2009.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 8525.80.50:

	2010	2011	2012	2013	2014
Col. 1-General rate of duty	2.1%	2.1%	2.1%	2.1%	2.1%
Estimated value <i>dutiable</i> imports ^a	\$1,300,000,000	\$1,200,000,000	\$1,200,000,000	\$1,200,000,000	\$1,200,000,000
Customs revenue loss ^b	\$27,300,000	\$25,200,000	\$25,200,000	\$25,200,000	\$25,200,000

a/ Dutiable import estimates were based on official U.S. Government statistics.

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

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?
Hitachi America, Ltd. (Proponent) Andrew Durant, 202-223-7683	11/16/2009	No	No	No
Canon USA Susan Turner, 516-328-4824	11/17/2009	No	No	No
Consumer Electronics Association Sage Chandler, schandler@ce.org	11/24/2009	No	No	No
JVC Co. Tom St. Maxens, 202-966-9000	11/16/2009	No	No	No
Panasonic Co. Madeline Kuflik, 201-348-7000	11/17/2009	No	No	No
Sony Co. Christina Mulvihill, 202-429-3653	11/13/2009	No	No	No

Technical comments:⁵

The description shown on page 1 has been changed to reflect the language that has appeared in heading 9902.23.36 (which expired on December 31, 2009), with the addition of the word “camcorders” after “the foregoing” suggested for added clarity. Consistent with changes contained in the bill language, references now in heading 9902.23.36 to hard disk size and to a USB 2.0 port have been deleted, and a photo frame-grab capability was added. Information available to Commission staff suggests that this description would cover the goods of interest to the proponent. The sponsor/proponent did not identify any additional beneficiaries to the bill and did not provide estimates of imports that appeared to include potential imports by other firms. The description of the product is very broad, and it is very likely that

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.

there are other importers of the subject goods. Because the revenue loss estimate provided above is based upon dutiable imports for the entire tariff category as shown in official statistics, the revenue loss estimates shown in the table likely overstate the impact of the bill and represent an upper-bound figure, but might nonetheless reach or exceed \$3-5 million annually, as firms may import goods with the widest range of options for the consumer.

No estimate of the potential retroactive impact of the bill can be provided, because it is not possible to ascertain the volume of entries that would be presented to Customs for retroactive reliquidation. Second, dutiable import figures to date during 2010 under the entire HTS category are not yet available, but would also likely overstate the level of imports eligible for the retroactive treatment that would be accorded by the bill. Entries of the subject goods during 2007-2009 would likely have been afforded the benefits of the duty suspension then in effect.

111TH CONGRESS
1ST SESSION

S. 2269

To amend the Harmonized Tariff Schedule of the United States to clarify the temporary suspension of duty for certain DVD readers and writers.

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 amend the Harmonized Tariff Schedule of the United States to clarify the temporary suspension of duty for certain DVD readers and writers.

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 DVD READERS AND WRITERS.**

4 (a) IN GENERAL.—The article description for sub-
5 heading 9902.23.36 of the Harmonized Tariff Schedule of
6 the United States is amended to read as follows: “Multi-
7 format mini-DVD camcorder with photo frame-grab capa-
8 bility and internal hard drive (specifically, readability in
9 DVD–R, DVD–RW, DVD–RAM and DVD+RW for-
10 mats), whether or not containing other features such as

1 USB 2.0 port, memory card slot (provided for in sub-
2 heading 8525.40.80).”.

3 (b) EFFECTIVE DATE.—

4 (1) IN GENERAL.—The amendment made by
5 this section applies to articles entered, or withdrawn
6 from warehouse for consumption, on or after Janu-
7 ary 1, 2007.

8 (2) RETROACTIVE APPLICATION.—Notwith-
9 standing section 514 of the Tariff Act of 1930 (19
10 U.S.C. 1504) or any other provision of law, upon
11 proper request being filed with U.S. Customs and
12 Border Protection before the date that is 90 days
13 after the date of the enactment of this section, any
14 entry, or withdrawal from warehouse for consump-
15 tion of an article described in subheading
16 9902.23.36 of the Harmonized Tariff Schedule of
17 the United States (as amended by subsection (a))
18 that was made—

19 (A) after December 31, 2006, and

20 (B) before the date of the enactment of
21 this section,

22 shall be liquidated or reliquidated as though the
23 amendment made by subsection (a) applied to such
24 entry or withdrawal.

1 (3) PROPER REQUESTS.—For purposes of para-
2 graph (2), a proper request means a request for liq-
3 uidation or reliquidation that contains sufficient in-
4 formation to enable the U.S. Customs and Border
5 Protection—

6 (A) to locate the entry; or

7 (B) to reconstruct the entry if it cannot be
8 located.

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