



## MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress

Date approved

### I. Background

Bill number:

Sponsor name:

Sponsor state:

Interested entity:

Name

City

State

Other bills on product (112th Congress only):

Nature of bill:

Expiration date:

Current or previous chapter 99 heading:

Retroactive date:

CAS number (if applicable):

Industry analyst:

Telephone:

Tariff Affairs contact:

Telephone:

Note:

1. Access to an electronic copy of this memorandum is available at [http://www.usitc.gov/tariff\\_affairs/congress\\_reports/](http://www.usitc.gov/tariff_affairs/congress_reports/).
2. In regard to the country(ies) of origin listed in section III, this report focuses on dutiable imports and does not take into account any tariff preference programs or special rates of duty.

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

Lead-acid storage batteries of 12 V (provided for in subheading 8507.20.80)

(If enacted, the tariff relief provided for in this bill would be available to any entity that imports the product that is covered by the bill.)

Description above compared with bill as introduced:

- Same
- Different (see Technical Comments section)

**III. Other product information, including uses/applications and source(s) of imports**

The subject product is a 12-volt lead-acid battery. Lead-acid batteries store energy using a reversible chemical reaction between lead plates and dilute sulphuric acid (electrolyte). A 12-volt lead acid battery is actually made up of six identical two-volt cells. Each cell contains lead plates of different compositions sitting in dilute sulfuric acid. 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. These lead-acid batteries are used for anything other than starting a piston engine or as the primary electrical power of a vehicle. Principal U.S. import sources of these batteries are China, Mexico, and Taiwan.

**IV. Estimated effect on customs revenue**

Subject product HTS subheading(s)	8507.20.80				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty or percentage point reduction (%)	3.5	3.5	3.5	3.5	3.5
Estimated value of dutiable imports (\$)	230,000,000	230,000,000	230,000,000	230,000,000	230,000,000
Customs revenue loss (\$)	8,050,000	8,050,000	8,050,000	8,050,000	8,050,000

Note: Customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ. Regarding the HTS subheading listed in the article description of the bill, the Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only U.S. Customs and Border Protection is authorized to issue a binding ruling on this matter. The Commission believes that Customs should be consulted prior to enactment of the bill.

Dutiable imports were based on (more than one may apply):

- Official statistics of the U.S. Department of Commerce
- Provided by industry sources
- Industry information
- Commission estimates

Duty reduction notes:

- This bill is not a duty reduction
- This bill is a temporary duty reduction. Rates are shown below.

Col.1-general duty rate (%)  Temporary rate (%)  Percentage point reduction (%)

**V. Technical comments**

The article description set forth above was modified based on input from the interested entity. H.R. 5414 as written would also cover the 12-volt batteries covered under current HTS heading 9902.03.87, which is a duty reduction provision; H.R. 5139 proposes to extend this temporary duty reduction.

**VI. Continuation**

--

## VII. Contacts with domestic firms/organizations

#	Firm/organization and contact name	Telephone number	Claims same or competing product made in the United States	Submission attached	Opposition noted
1	IBM Corp. (Interested entity) John Adamo	720-395-1427	No	No	No
2	C&D Technologies, Inc. David Treadwell	215-619-2700	No	No	No
3	Crown Battery Mike Fraley	419-334-7181	No	No	No
4	CSB Battery Technologies, Inc. Sergio Lan	817-244-7777	No	No	No
5	East Penn Manufacturing Co., Inc. Daniel Langdon	610-682-6361	No	No	No
6	EnerSys Tom Biello	610-698-9804	No	No	No
7	Exide Technologies James R. Bolch	678-566-9393	No	No	No
8	Honeywell International, Inc. Art Simonetti	202-662-2671	No	No	No
9	Johnson Controls, Inc. Alex Molinari	414-524-3770	No	No	No
10	KJK International Glenn Jones	973-539-0957	No	No	No
11	Stationary Power Services, Inc. Bill Mier	800-245-0893	No	No	No
12	Superior Battery Mfg. Co., Inc. Randy Hart	270-866-6056	No	No	No
13	Trojan Battery Company Rick Godber	562-236-3032	No	No	No
14	U.S. Battery Manufacturing Co. Terry Agrelius	706-790-0218	No	No	No
15	Universal Power Group, Inc. Cynthia Carmack	469-892-1122	No	No	No

112TH CONGRESS  
2D SESSION

# H. R. 5414

To suspend temporarily the duty on lead-acid storage 12-volt batteries.

---

IN THE HOUSE OF REPRESENTATIVES

MAY 7, 2012

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

---

## A BILL

To suspend temporarily the duty on lead-acid storage 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. LEAD-ACID STORAGE 12-VOLT BATTERIES.**

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:

“	9902.01.00	Lead-acid storage 12-volt batteries (provided for in subheading 8507.20.80) ....	Free	No change	No change	On or before 12/31/2015	”.
---	------------	--	------	-----------	-----------	-------------------------	----

8 (b) EFFECTIVE DATE.—The amendment made by  
9 subsection (a) applies to goods entered, or withdrawn from

2

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

○