



## 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)):

Zippered cases with outer surface of textile materials or of sheeting of plastic, with attached textile straps, each with an internal capacity of 800 cc or more but not over 1000 cc, designed for electronic drawing toys, electronic games or educational toys or devices and books and accessories intended for use with those devices (provided for in subheading 4202.92.30 or 4202.99.90)

(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 products are cases for electronic drawing toys, electronic games, or educational toys or devices (including books). The cases contain zippers and straps and may be made of textile materials or of plastics. The cases are designed for transporting, storing, and protecting particular games, toys, or devices and their accessories. These cases are primarily imported from China.

## IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	4202.92.30 and 4202.99.90				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty or percentage point reduction (%)	18.8	18.8	18.8	18.8	18.8
Estimated value of <i>dutiable</i> imports (\$)	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Customs revenue loss (\$)	376,000	376,000	376,000	376,000	376,000

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 for greater clarity. However, we note that any books or printed matter relating to such devices, whether imported separately or constructively segregated for classification purposes, are already free of duty under appropriate provisions of chapter 49, and it is suggested that the reference to "books and" be deleted from the description unless Customs agrees these word should be retained. In addition, it is unlikely that most accessories that would be imported with the referenced devices would be classified in chapter 42, and Customs may suggest that the

reference to such accessories also be dropped from the proposed heading.

The interested entity requested that zippered cases of plastics covered by HTS subheading 4202.99.90 be added to the bill as drafted. H.R. 5490 and its companion, S. 3046, appear to cover similar cases, made of plastics, for use with electronic games, toys, devices, and their accessories, also provided for in subheading 4202.99.90. We note that enactment of this bill and H.R. 5490 could result in overlapping product coverage. This overlapping scope makes it impossible to estimate with any certainty the volume of imports or customs revenue lost per year should both bills pass. The estimates provided above do not take into account the effect of any overlapping product coverage.

## VI. Continuation

Estimated effect on customs revenue - continued:

HTS No. 4202.92.30 (17.6%)

2013-\$176,000

2014-\$176,000

2015-\$176,000

2016-\$176,000

2017-\$176,000

HTS No. 4202.99.90 (20%)

2013-\$200,000

2014-\$200,000

2015-\$200,000

2016-\$200,000

2017-\$200,000

The rate shown in the main table is a weighted average rate and not the actual HTS rate or a percentage point reduction.

## 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	Leapfrog Enterprises (Interested entity) Ned Steiner	202-730-4970	No	No	No
2	American Manufacturing Trade Action Coalition Sara Beatty	202-452-0866	No	No	No
3	Disney Consumer Products Mike Castellano	202-222-4750	No	No	No
4	Kmart (Sears Holdings) Sue Ciardiello	847-286-6423	No	No	No
5	Kohl's Steven J. Thomas	262-703-2720	No	No	No
6	National Council of Textile Organizations Mike Hubbard	704-215-4540	No	No	No
7	National Textile Association David Trumbull	617-542-8220	No	No	No
8	Target Toni Dembski-Brandl	612-696-2573	No	No	No
9	Travel Goods Association Nate Herman	703-797-9062	No	No	No
10	Wal-Mart Lisa Schimmelpfenning	479-273-8811	No	No	No

112TH CONGRESS  
2D SESSION

# S. 2564

To suspend temporarily the duty on certain zippered cases of textile materials with textile straps for toys.

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IN THE SENATE OF THE UNITED STATES

MAY 7, 2012

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

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## A BILL

To suspend temporarily the duty on certain zippered cases of textile materials with textile straps 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. CERTAIN ZIPPERED CASES OF TEXTILE MATE-**  
4 **RIALS WITH TEXTILE STRAPS FOR TOYS.**

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

“	9902.01.00	Zippered cases of textile materials with textile straps (provided for in subheading 4202.92.30) with an internal capacity of 800 cc or more but not over 1000 cc, for electronic drawing toys, electronic games or educational toys or devices, and books and other accessories used with those devices .....	Free	No change	No change	On or before 12/31/2015	”.
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1           (b) **EFFECTIVE DATE.**—The amendment made by  
2 subsection (a) applies with respect to goods entered, or  
3 withdrawn from warehouse for consumption, on or after  
4 the 15th day after the date of the enactment of this Act.

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