



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/.
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)):

Carrying cases of plastics with molded handles, specially shaped or fitted to hold electronic drawing toys, electronic games, or educational toys or devices, and books and accessories used with those devices (provided for in subheading 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). These cases are designed for transporting, storing, and protecting particular games, toys, or devices and their accessories and contain permanent or durable internal fittings shaped to hold the specific toys or devices. The cases are made of plastics and contain molded handles. These cases are primarily imported from China.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	4202.99.90				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty or percentage point reduction (%)	20	20	20	20	20
Estimated value of <i>dutiable</i> imports (\$)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Customs revenue loss (\$)	200,000	200,000	200,000	200,000	200,000

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.

H.R. 5490 (and its companion, S. 3046) appears to cover similar cases specially shaped or fitted to hold electronic toys and games 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 do not take into account the effect of any overlapping product coverage.

VI. Continuation

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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. 2565

To suspend temporarily the duty on certain carrying cases of plastics with molded handles shaped to hold toys.

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

A BILL

To suspend temporarily the duty on certain carrying cases of plastics with molded handles shaped to hold 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 CARRYING CASES OF PLASTICS WITH**

4 **MOLDED HANDLES SHAPED TO HOLD 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	Carrying cases of plastics with molded handles (provided for in subheading 4202.99.90), specially shaped or fitted to hold 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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