

REPORTS UNDER ITEMS 806.30 AND 807.00 OF THE TARIFF SCHEDULES OF THE UNITED STATES, 1984-87

Report on Investigation No. 332-237,
Under Section 332(b) of the
Tariff Act of 1930



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Preface

On August 19, 1986, on its own motion and in accordance with section 332(b) of the Tariff Act of 1930 (19 U.S.C. 1332(b)), the U.S. International Trade Commission instituted investigation No. 332-237 to present and analyze statistical data on imports under items 806.30 and 807.00 of the Tariff Schedules of the United States. The current report presents historical import data (1970-87) under these provisions and evaluates the most current 4-year period (1984-87) on a commodity specific and sector-by-sector basis. The study also includes a special chapter, "Impact of the Customs User Fee on the Use of Items 806.30 and 807.00" analyzing the effect of the fee established in December 1986, on imports under these provisions.

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Executive Summary

In this annual report, the Commission conveys the findings of its investigation of recent developments in trade under items 806.30 and 807.00 of the Tariff Schedules of the United States (TSUS) and analyzes trends in imports by commodity groups and sources during 1984-87. Item 806.30 involves tariff treatment for metal of U.S. origin processed in a foreign location and returned to the United States for further processing; item 807.00 involves tariff treatment for imported goods that contain U.S.-made components. The principal findings and conclusions of the Commission's investigation are summarized below.

- *During 1984-87, U.S. imports under items 806.30 and 807.00 increased by 140 percent to \$68.5 billion, at a faster pace than total U.S. imports which rose by 24 percent to \$402 billion, as shown in table A. Imports under items 806.30 and 807.00 accounted for 17 percent of total U.S. imports in 1987 compared with 9 percent in 1984. The principal supplying countries were Canada, Japan, and Mexico, accounting for 90 percent of total imports under these provisions in 1987.*

Table A
U.S. Imports under TSUS Items 806.30 and 807.00 and total Imports, 1984 and 1987

Item	1984	1987	Change, 1987 from 1984	Share of imports under 806.30	Share of imports under 807.00	Share of imports under 806.30 and 807.00
	— Million Dollars —			Percent		
Imports under Item 806.30:						
Dutiable	141	538	282	56	(¹)	(¹)
Nondutiable	309	416	34	44	(¹)	(¹)
Total	450	954	112	100	(¹)	(¹)
Imports under Item 807.00:						
Dutiable	21,221	55,068	159	(¹)	81	(¹)
Nondutiable	6,901	12,527	82	(¹)	19	(¹)
Total	28,122	67,595	140	(¹)	100	(¹)
Imports under Item 806.30 and 807.00:						
Dutiable	21,362	55,606	160	(¹)	(¹)	81
Nondutiable	7,211	12,943	79	(¹)	(¹)	19
Total	28,573	68,549	140	(¹)	(¹)	100
Grand total U.S. imports	322,990	402,066	24	(¹)	(¹)	(¹)

¹ Not applicable.

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled from official statistics of the U.S. Department of Commerce.

- *The establishment of the Customs User Fee on imported merchandise in December 1986 motivated many importers of duty-free items to claim eligibility under TSUS items 806.30 and 807.00 to avoid the fee—articles imported under schedule 8 of the TSUS are exempt from the fee. Prior to imposition of the user fee, there was no incentive for these importers to use these provisions even though they were eligible. Products imported in response to the user fee accounted for 79 percent of the 88 percent rise in imports under items 806.30 and 807.00 between 1986 and 1987.*

Subtracting imports with a "free" most-favored-nation rate of duty from official statistics reveals what the trend in imports under items 806.30 and 807.00 would have been if the user fee had not been imposed.¹ In 1987, imports of products with a free rate of duty under TSUS items 806.30 and 807.00

¹ See ch. 2 for a more detailed discussion of the Customs User Fee.

totaled \$25.5 billion, or 37 percent of total imports under items 806.30 and 807.00. In the absence of the user fee, imports under item 807.00 would have risen just 18 percent between 1986 and 1987, to \$43.1 billion, instead of climbing 88 percent to \$68.5 billion. In addition, were it not for the user fee, Canada would not have replaced Japan as the leading source of 807.00 imports, but would have had only a 4 percent, instead of a 31 percent, share of total 807.00 imports. The principal products that were free of duty but still entered under item 807.00 to avoid the user fee were motor vehicles and parts from Canada (duty-free under APTA), nonmilitary aircraft and parts (duty-free under the Civil Aircraft Agreement), and semiconductors (most became free of duty in 1985) (pp. 2-4 and 2-5).

- *Imports under item 807.00 (imports containing U.S.-made components) increased by 140 percent during 1984-87, to \$67.6 billion in 1987, and represented 99 percent of the combined imports under TSUS items 806.30 and 807.00 in that year, as well as 97 percent of the duty-free content of both provisions.*

Motor vehicles accounted for 62 percent of the value of TSUS item 807.00 imports in 1987. Other important imports under item 807.00 in 1987 were semiconductors (6 percent of the total), motor-vehicle parts (6 percent), internal combustion engines (5 percent), and office machines and parts (3 percent). Of these, motor-vehicle parts accounted for the fastest growth in item 807.00 imports during 1984-87, increasing over 300 percent from \$946 million to \$3.9 billion (pp. 1-14 and 1-15). The growth in item 807.00 imports in part reflected a general increase in total imports of these items, but more importantly indicated a reaction by importers to avoid the Customs User Fee (pp. 2-1 and 2-2).

- *Mexico, Canada, and Malaysia together supplied \$8.8 billion, or 70 percent, of the duty-free content of U.S. imports under item 807.00 in 1987.*

Based on duty-free content, the top imports from Mexico under item 807.00 in 1987 were motor vehicles, electrical conductors, articles for making and breaking electrical circuits, motors and generators, and piston-type internal combustion engines (pp. B-56 to B-58). A broad variety of U.S. firms established assembly facilities along the U.S.-Mexico border to take advantage of low labor costs in Mexico. Motor vehicles dominated imports from Canada, reflecting the decision by importers, chiefly U.S. automobile manufacturers, to avoid the Customs User Fee by claiming eligibility under item 807.00 for imports of motor vehicles and parts that enter free of duty under the Automotive Products Trade Act of 1965 (APTA) (pp. B-53 to B-55). Semiconductors were the principal articles imported from Malaysia under TSUS item 807.00 in 1987 (pp. B-71 to B-73).

- *Item 806.30 imports (U.S. metal articles processed abroad and returned for further processing) increased by 112 percent during the period, to \$954 million in 1987. The sharp increase in imports under item 806.30 was primarily due to importers of already duty-free products declaring eligibility for item 806.30 to avoid the Customs User Fee.*

The value of the U.S.-origin metal contained in TSUS item 806.30 imports was \$417 million in 1987, representing 44 percent of the total value of 806.30 imports. Aluminum, specifically wrought sheet for making cans, was the most significant product imported under item 806.30 during 1984-87. However, wrought aluminum's share of the duty-free content of total 806.30 imports dropped from 64 percent in 1984 to 33 percent in 1987. In contrast, the duty-free content of imports of aircraft and spacecraft parts increased from \$1.8 million (less than 1 percent of the total in 1984) to \$121 million in 1987, to account for 29 percent of such imports (pp. B-19 to B-22).

- *Canada, Japan, and Mexico accounted for \$384 million, or 92 percent, of the total duty-free content of U.S. imports under item 806.30 in 1987.*

Parts of civil aircraft and aluminum canning sheet were the principal imports supplied under TSUS item 806.30 from Canada in terms of both total value and duty-free content. Wrought aluminum was the principal commodity shipped from Japan; and steel sheets and strips were the leading products entering under item 806.30 from Mexico (pp. B-24 to B-27, B-42, and B-43).

- *The industries producing apparel and electronic components used a higher percentage of U.S.-made components in their foreign assembly facilities than other industries. Motor vehicles imported under item 807.00 had the lowest proportion of U.S.-origin content. Since the rates of duty applicable to apparel are generally much higher than for most other articles, the duty savings from use of item 807.00 is more significant for that group of industries than for other industries.*

Dividing all U.S. industries into 22 categories, the industries with the highest ratio of the value of U.S.-made components to total value of imports under TSUS item 807.00 in 1987 were trousers, slacks, and shorts (69 percent); body-supporting garments (66 percent); other textiles and apparel (63 percent); agricultural and forest products—chiefly disposable hospital gowns—(61 percent); other electrical articles (60 percent); semiconductors (56 percent); and shirts and blouses (54 percent) (pp. 1-13 to 1-15). Most of these products are imported from U.S.-owned or contracted assembly or sewing facilities in Mexico and the Caribbean. On the other hand, U.S.-made components accounted for only 8 percent of the value of motor vehicles imported under item 807.00. Foreign-owned manufacturers in Japan, West Germany, and Sweden supplied the majority of the imports. Because the trade-weighted-average rate of duty on apparel was 21.2 percent in 1987 compared with 2.7 percent for all products imported under item 807.00, apparel accounted for 57 percent of the duty savings accrued from use of item 807.00 despite accounting for only 2 percent of the total trade under that provision (pp. 1-8 and 4-2).

- *Imports under item 807.00 from less developed countries (LDC's) rose 50 percent during 1984-87 in terms of total value and 29 percent in terms of the value of U.S.-made components contained in item 807.00 imports. However, the share of item 807.00 imports accounted for by LDC's dropped from 42 percent to 26 percent in terms of total value and from 83 percent to 59 percent in U.S. content, as imports of motor vehicles from developed countries increasingly dominated use of the provision.*

Imports of motor vehicles from Japan, West Germany, and Sweden under TSUS item 807.00 rose from \$12.4 billion to \$22.4 billion during 1984-87, accounting for 29 percent of the \$33.9 billion expansion in item 807.00 imports from developed countries. Another 42 percent was accounted for by \$14.3 billion in imports of motor vehicles from Canada which entered under item 807.00 in 1987 to avoid the user fee. U.S.-made components accounted for only 1.6 percent of the collective value of motor vehicle imports under item 807.00 from Japan, West Germany, and Sweden compared with 16.3 percent from Canada. Although imports from Mexico under item 807.00 climbed by 80 percent in total value (from \$4.8 billion to \$8.6 billion) and 75 percent in U.S.-made content (from \$2.5 billion to \$4.4 billion), the total value of item 807.00 imports from other LDC's grew by only 31 percent (87 percent of this growth was accounted for by motor vehicles from Korea) and the duty-free content of item 807.00 imports from other LDC's actually declined by 5 percent. In 1987, U.S.-made components made up 52 percent of item 807.00 imports from Mexico, but only 33 percent of such imports from other LDC's (p. 1-4, tables B-4, B-20, B-22, B-25, B-28, and B-29). The strong growth in imports from Mexico under item 807.00, especially relative to those of other LDCs, reflects continued expansion in the use of Mexico's maquiladora industry by U.S. producers. Peso devaluations in Mexico have resulted in declining average hourly compensation while wages in competing assembly locations, such as Taiwan, Korea, and Singapore, have been rising as measured in U.S. dollars (p. 1-3).

- *The potential exists for apparel imports under item 807.00 to accelerate during the remainder of the 1980's as a result of recent actions by the United States to liberalize quotas on such imports from the major suppliers.*

The United States recently introduced special quota programs for Caribbean countries and Mexico that grant them greater access to the U.S. market for apparel and made-up textiles assembled from fabric that has been both produced and cut in the United States. The "special access program" for Caribbean countries establishes guaranteed access levels, or GAL's, for goods made of such fabric that are separate from, and usually higher than, quotas on nonqualifying products. This program essentially permits Caribbean countries virtually unlimited market access for qualifying goods since the GAL's may be increased on request by the exporting country. Imports under the Caribbean program in 1987, the first full year of this so-called 807-A plan, totaled \$79 million. Under the "special regime" for Mexico, products of U.S. and foreign fabrics are combined under the same quota but a major portion of the quotas are set aside for goods of U.S.-made and U.S.-cut fabric. Although quota growth is limited to 6 percent annually, Mexico's quotas were increased significantly above the 1987 base levels to accommodate the special regime, imports under which will be allowed entry beginning on January 1, 1989 (pp. 4-7 to 4-9).

Chapter 1

Introduction

Purpose of the Study

In the study, the Commission presents and analyzes official statistical data on imports entered under items 806.30 and 807.00 of the special classification provisions of the Tariff Schedules of the United States (TSUS) and notes trends in such imports for the period 1984-87. Item 806.30 involves tariff treatment for metal of U.S. origin processed in a foreign location and returned to the United States for further processing. Duty is applied on the value added by the foreign processing. Item 807.00 involves tariff treatment for imported goods that contain U.S.-made components. Duty is applied on the value of the imported product less the value of the U.S.-made components.¹

Reports previously published by the Commission on imports under items 806.30 and 807.00² provide statistics for 1966 through 1986.

¹ See "Explanation and background for TSUS items 806.30 and 807.00" in app. A for further explanation of items 806.30 and 807.00.

² Previous studies by the U.S. International Trade Commission include *Economic Factors Affecting the Use of Items 807.00 and 806.30 of the Tariff Schedules of the United States: Report to the President on Investigation No. 332-61 Under Section 332 of the Tariff Act of 1930*, ITC Publication 339, September 1970; two unpublished reports, both entitled "Background Materials on Articles Assembled and Fabricated Abroad, Items 806.30 and 807.00 of the Tariff Schedules of the United States," Mar. 22, 1976, and July 9, 1976, respectively; *Import Trends in TSUS Items 806.30 and 807.00*, USITC Publication 1029, January 1980; *Imports Under Items 806.30 and 807.00 of the Tariff Schedules of the United States, 1977-80*, USITC Publication 1170, July 1981; *Imports Under Items 806.30 and 807.00 of the Tariff Schedules of the United States, 1979-82*, USITC Publication 1467, January 1984; *Imports Under Items 806.30 and 807.00 of the Tariff Schedules of the United States, 1980-83*, USITC Publication 1688, April 1985; *Imports Under Item 806.30 and 807.00 of the Tariff Schedules of the United States, 1981-84*, USITC Publication 1867, June 1986; *Imports Under Items 806.30 and 807.00 of the Tariff Schedules of the United States, 1982-85*, USITC Publication 1920, December 1986; and *The Use and Economic Impact of TSUS Items 806.30 and 807.00*, USITC Publication 2053, January 1988.

This report contains statistics on total imports and on imports under items 806.30 and 807.00 by principal sources and commodity groupings for 1984 through 1987.³ These commodity groups are based on the Commission's Trade Monitoring Information Support System, which consists of computer-generated import/export tables for key commodity aggregations. These trade tables serve as the vehicle for trade-monitoring or early warning system that can alert the Commission to shifts in trade patterns and focus on areas for further study.

This study follows the precedent established by *The Use and Economic Impact of TSUS Items 806.30 and 807.00*, emphasizing the significance of the duty-free portion (U.S.-origin content) of imports under items 806.30 and 807.00, as opposed to the dutiable portion. In addition, the sections describing trade in specific products are presented in rank order according to duty-free content of imports under items 806.30 and 807.00, rather than in TSUS order. Also, each section includes a concordance that shows which Harmonized System numbers are allocated to the commodity group to facilitate comparison of information provided in this report and past annual reports with that which will be presented in future annual reports.

³ App. B contains statistical tables showing imports under TSUS items 806.30 and 807.00 during 1970-87. It also indicates modifications that were made by the Commission to official statistics from the U.S. Department of Commerce. App. B also contains a concordance between specific commodity groupings and major industry groups.

Trends in Imports Under TSUS Items 806.30 and 807.00

Firms have several incentives for using the provisions of items 806.30 and 807.00: (1) to improve the price competitiveness of products by shifting certain labor-intensive assembly operations to low-wage rate countries; (2) to reduce the cost of cross-border transfers of both in-process materials and final goods; (3) to allow companies to rationalize¹ production involving establishments in the United States and foreign countries (usually Canada); (4) to allow foreign companies that use U.S.-made components to reduce the price of their goods in the U.S. market; and (5) to avoid the Customs User Fee that was established in December 1986.²

Two of these incentives strongly influence recent trends in imports under TSUS items 806.30 and 807.00: the declining wage rates (factor 1 above) in Mexico and the Customs User Fee (factor 5 above). As discussed in a previous Commission report, *The Use and Economic Impact of TSUS Items 806.30 and 807.00*, depreciation of the peso has led to a decline in average hourly U.S. dollar-valued compensation for Mexican maquila workers, from US\$1.42 in 1980 to US\$0.80 in 1986, representing a 44-percent reduction over the period (9 percent

¹ Companies "rationalize" production by consolidating manufacturing of a particular product or component to a limited number of locations. Plants which may have made a diversity of products become specialized in the production of fewer goods. This can lead to greater efficiency and economies of scale. It also involves interdependency between plants and requires coordination of production planning. Rationalization of production across international boundaries is increasingly a common practice for multinational corporations, particularly U.S. firms with facilities in Canada.

² The user fee does not apply to imports under schedule 8 of the TSUS. Consequently, importers of goods with a most-favored-nation duty rate of free, which had no incentive to declare eligibility under items 806.30 and 807.00, began using these provisions. See ch. 2 for a discussion of the user fee.

annual average), contributed to a substantial increase in the use of TSUS item 807.00 in that country. In addition, as analyzed in chapter 2 of this report, the establishment of the Customs User Fee in December 1986 motivated many firms that were importing articles with a free rate of duty to claim eligibility under items 806.30 and 807.00 to avoid the fee.

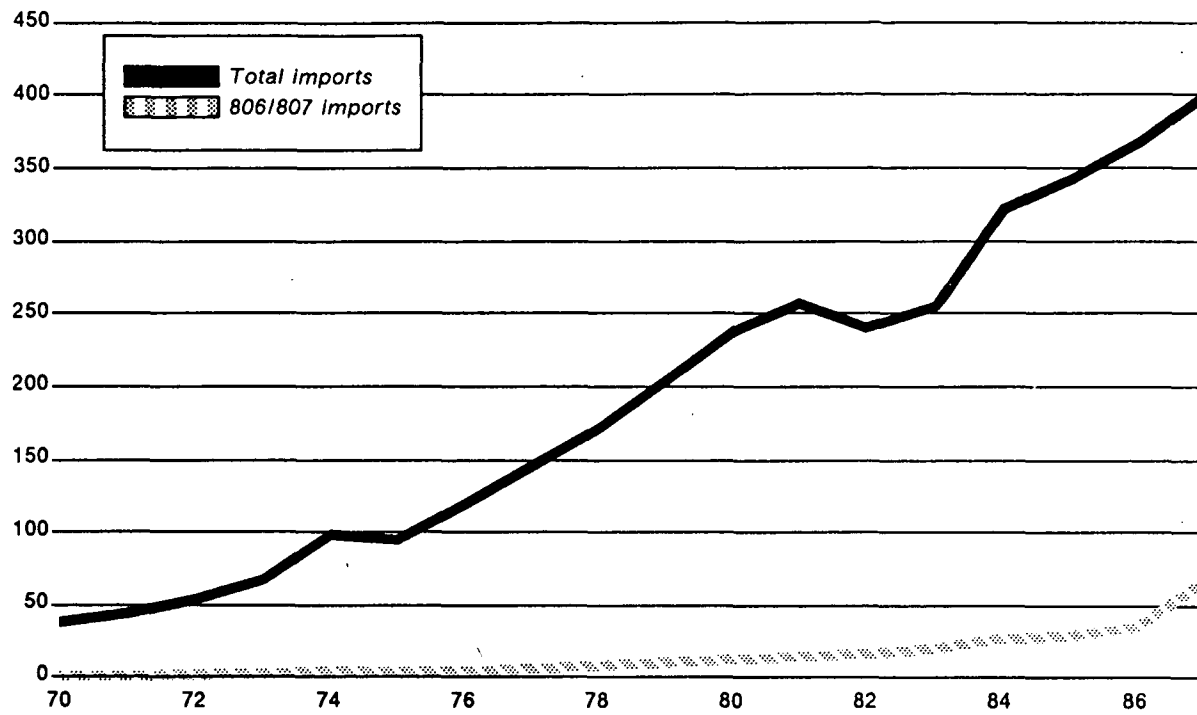
The share of the value of total U.S. imports accounted for by those under items 806.30 and 807.00 combined rose to 17 percent in 1987, up from a range of 9 to 10 percent during 1984-86 (table A, figs. 1-1 and 1-2). The combined value jumped from \$28.6 billion in 1984 to \$68.5 billion in 1987. The bulk of this increase occurred between 1986 and 1987 when imports under these provisions doubled, predominantly because importers sought to avoid the Customs User Fee established in December 1986, but also because of continued growth in the use of assembly facilities in Mexico.

Imports under item 807.00 are much greater than those under item 806.30, accounting for 99 percent of the combined total value in 1987 and 97 percent of the duty-free content of imports under both provisions (app. B, table B-1). The duty-free value (U.S.-origin content) of the combined imports under items 806.30 and 807.00 was 19 percent of the total value of imports under these provisions in 1987, down from 25 percent in 1984. This decline in the share accounted for by duty-free imports is chiefly attributable to a rise in the share of total item 807.00 imports made up of motor vehicles during 1984-87 from 45 percent to 62 percent. Since U.S.-made parts accounted for only 8 percent of the value of motor vehicles imported under item 807.00 in 1987 compared with 34 percent for all other products, the increased use of the provision by motor vehicle importers brought down the overall ratio of U.S.-made components to total item 807.00 imports (table 1-1).

Figure 1-1

Trends of total U.S. imports and imports under 806.30 and 807.00: 1970-87

Billion dollars

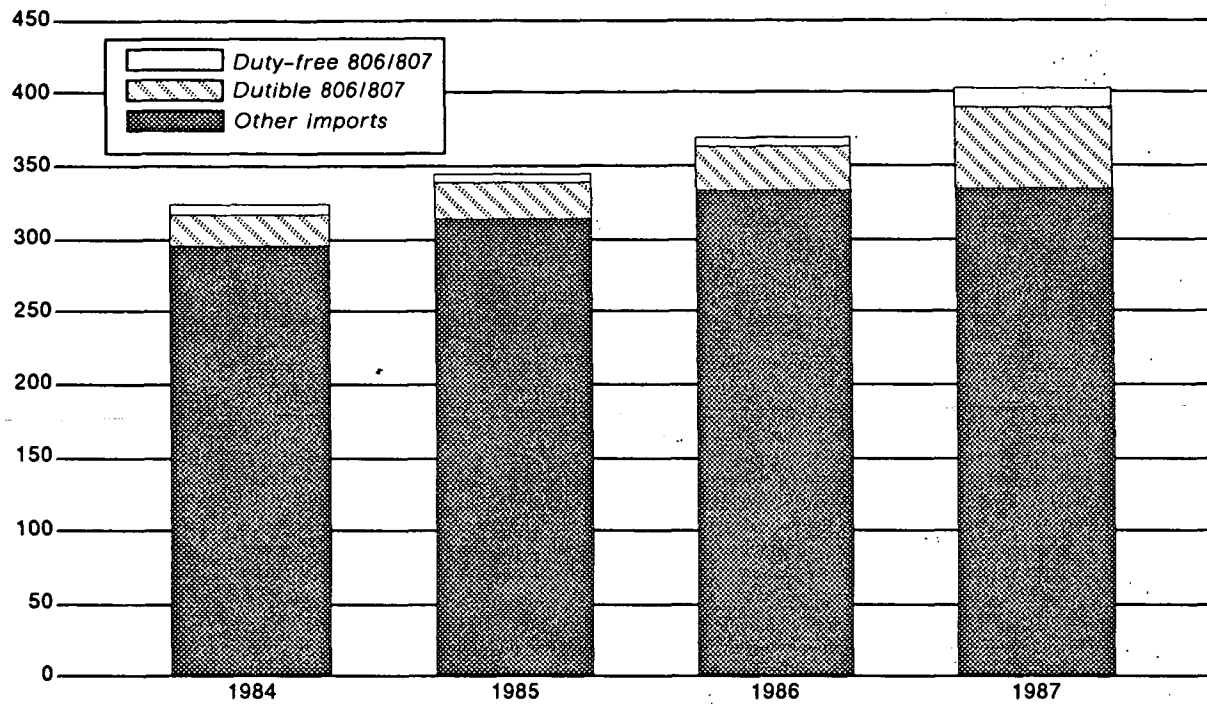


Source: Based on official statistics of the U.S. Department of Commerce.

Figure 1-2

Items 806.30 and 807.00: Dutiable and duty-free Imports compared with other U.S. Imports for consumption, 1984-87

Billion dollars



Source: Compiled from official statistics of the U.S. Department of Commerce.

Table 1-1

U.S. imports under TSUS Item 807.00, total and duty free, by industry groups, 1984 and 1987

Industry group	Duty-free value		Change, 1987 from 1984	Average annual change, 1987 from 1984	Share of total 1987	Ratio of duty-free value to total value	Total value		Change, 1987 from 1984	Average annual change, 1987 from 1984	Share of total 1987	
	1984	1987					1984	1987				
	1,000 dollars						Percent					1,000 dollars		Percent
Agricultural and forest products	83,056	124,345	50	14	1	71	61	116,773	202,324	73	20	(1)
Shirts and blouses	79,073	170,405	116	29	1	50	54	156,709	313,670	100	26	1
Trousers, slacks, and shorts	128,411	295,621	130	32	2	72	69	179,043	427,744	139	34	1
Body-supporting garments ...	97,376	120,074	23	7	1	65	66	148,798	180,565	21	7	(1)
Footwear	55,169	89,452	62	17	1	59	30	93,220	300,767	223	48	(1)
Other textiles and apparel	227,845	389,196	71	20	3	65	63	348,659	618,691	77	21	1
Chemicals, coal petroleum, natural gas, and related products	13,295	41,831	215	47	(1)	51	40	26,047	104,051	299	59	(1)
Minerals and metals	239,312	162,595	314	60	1	40	40	96,977	395,837	308	60	1
Internal combustion engines and parts	213,946	479,515	124	31	4	26	15	808,861	3,114,401	285	57	5
Office machines and parts ...	371,246	493,910	33	10	4	20	20	1,841,324	2,237,276	22	7	3
Motors, generators, transformers, and related equipment	207,560	291,199	40	12	2	45	48	465,231	602,287	29	9	1
Television apparatus and parts, other than cameras and picture tubes	243,101	228,603	(6)	(2)	2	23	21	1,047,480	1,082,308	3	1	2
Radio and telephone equipment and parts	170,230	175,758	3	1	1	27	31	638,993	572,574	(10)	(4)	1
Tape recorders, record players, and related equipment	77,460	124,592	61	17	1	32	20	244,381	620,858	154	36	1
Semiconductors	2,796,711	2,133,281	(24)	(9)	17	61	56	4,591,597	3,780,927	(18)	(6)	6
Other electrical articles	906,340	1,385,254	53	15	11	57	60	1,585,825	2,324,498	47	14	3
Motor vehicles, including including automobile trucks and truck tractors, motor buses, passenger automobiles	199,933	3,362,449	1,582	156	27	2	8	12,775,338	41,760,769	227	48	62
Motor-vehicles parts, industrial vehicles, non-self-propelled vehicles, motorcycles, rail locomotives, and rolling stock	301,566	828,036	175	40	7	32	21	946,397	3,873,321	309	60	6

See footnote at end of table.

Table 1-1—Continued

U.S. Imports under TSUS item 807.00, total and duty free, by industry groups, 1984 and 1987

Industry group	Duty-free value		Change, 1987 from 1984	Average annual change, 1987 from 1984	Share of total 1987	Ratio of duty-free value to total value		Total value		Change, 1987 from 1984	Average annual change, 1987 from 1984	Share of total 1987
	1984	1987				1984	1987	1984	1987			
	1,000 dollars		Percent		1,000 dollars		Percent					
Other machinery and equipment	404,802	1,062,189	162	38	8	31	29	1,323,254	3,684,137	178	41	5
Scientific instruments and apparatus	109,523	219,362	100	26	2	51	45	214,142	486,115	127	31	1
Furniture, mattresses and pillows	14,771	116,855	691	99	1	22	28	68,205	421,868	519	84	1
Other miscellaneous manufactures	160,505	232,711	45	13	2	40	47	405,166	490,059	21	7	1
Total	6,901,232	12,527,233	82	22	100	25	19	28,122,419	67,595,048	140	34	100

¹ Less than 0.5 percent.

Source: Compiled from official statistics of the U.S. Department of Commerce. See app. B for a concordance between these industry groups and item 807.00 commodity groups.

Imports under items 806.30 and 807.00 from LDC's increased from \$12.1 million to \$18.3 million during 1984-87 (tables B-2 and B-4). However, the share of total 806/807 imports accounted for by LDC's dropped from 43 percent in 1984 to 27 percent in 1987. Conversely, the share of imports under items 806.30 and 807.00 from developed countries rose from 57 percent in 1984 to 73 percent in 1987. The value of imports under items 806.30 and 807.00 from developed countries increased by more than 200 percent, to \$50.3 billion in 1987. A \$10 billion growth in item 807.00 imports of motor vehicles from Japan, West Germany, and Sweden accounted for 29 percent of this \$33.9 billion increase; \$14.3 billion in Automotive Products

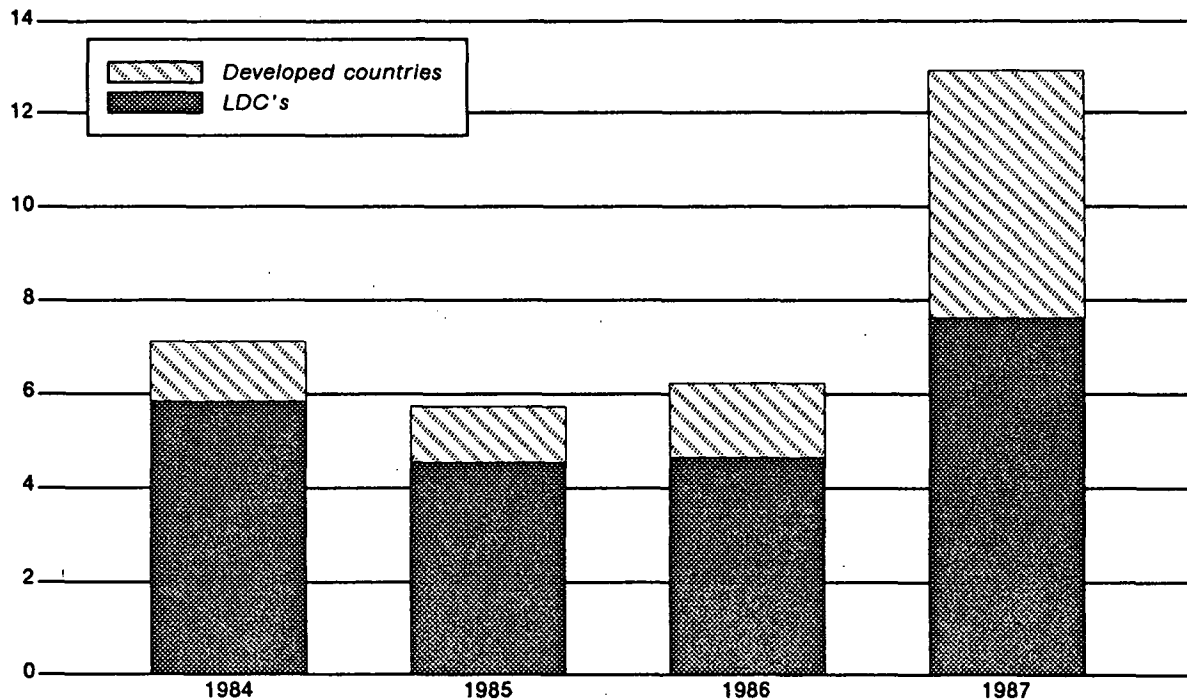
Trade Act of 1965 (APTA) motor vehicles from Canada entered because of the user fee accounted for 42 percent. In terms of duty-free content, imports under items 806.30 and 807.00 from the lesser developed countries (LDC's) grew by 30 percent during 1984-87 but their share of the U.S. content of total imports under these provisions dropped from 83 percent to 59 percent (fig. 1-3).

Since item 807.00 accounts for 99 percent of the combined total imports under these provisions, the rest of this chapter discusses specific trends under item 807.00 during 1984-87. A discussion of trends under item 806.30 can be found in chapter 6.

Figure 1-3

U.S. Imports under Items 806.30 and 807.00: Duty-free portion accounted for by developed and less developed countries, 1984-87

Billion dollars



Source: Compiled from official statistics of the U.S. Department of Commerce.

Trends in Imports Under TSUS Item 807.00

U.S. imports under TSUS item 807.00 climbed 140 percent during 1984-87, from \$28 billion to \$68 billion, exceeding the rate of growth for total U.S. imports, which rose by 24 percent (table 1-2). Most of this increase occurred between 1986 and 1987 when item 807.00 imports almost doubled. The dramatic surge in item 807.00 imports during that year can be primarily attributed to the establishment of a U.S. Customs user fee in late 1986, from which items under schedule 8 of the TSUS are exempt. To avoid the fee, many importers of duty-free goods claimed eligibility under item 807.00 which caused the ratio of item 807.00, imports to total imports, to jump from 10 percent in 1986 to 17 percent in 1987.

Principal products

The duty-free content of item 807.00 imports increased 82 percent during 1984-87, to \$13 billion. However, the ratio of the duty-free content to total value of imports under item 807.00 fell from 25 percent to 19 percent during the same period (table 1-2). Much of this decline can be attributed to a jump in item 807.00 imports of motor vehicles, which have a lower average ratio of duty-free content to total item 807.00 value (8 percent) than other commodity groups such as trousers (69 percent) or semiconductors (56 percent). The rise in imports from Canada in response to the user fee also contributed to the decline in the share of item 807.00 imports consisting of U.S.-made

components because such imports from Canada have less U.S. content than imports from Mexico.

The duty-free portion of apparel products is accounted for predominantly by fabric that has been cut into pieces in highly automated processes in the United States and then exported to sewing operations, principally in Mexico and the Caribbean Basin. The value of these pieces and components is significantly higher than the cost of the labor used for assembly. On the other hand, U.S.-made parts in motor vehicles imported from Japan, West Germany, and Sweden accounted for only 1.6 percent of the value of these imports under item 807.00; the use of U.S.-made parts was higher for motor vehicles from Canada, 16 percent of the value.

Principal sources

The top three countries in terms of using U.S. content under item 807.00 in 1987 were Mexico, Canada, and Malaysia accounting for shares of 35 percent, 30 percent, and 5 percent, respectively (table 1-3). Although Mexico's share of duty-free content dropped slightly from its 37 percent share in 1984, Mexico continues to be an attractive location for 807.00 activity because of low wage rates and proximity to the United States. Based on duty-free content, the top imports under items 806.30 and 807.00 from Mexico in 1987 were motor vehicles (\$576 million), electrical conductors (\$558 million), articles for making and breaking electrical circuits (\$284 million), motors and generators (\$254 million), and piston-type internal combustion engines (\$220 million) (table 1-4).

Table 1-2

TSUS Item 807.00: U.S. Imports for consumption, total and under TSUS Item 807.00, 1984-87

<i>Year</i>	<i>Total imports</i>	<i>807.00 imports</i>	<i>Ratio of 807.00 imports to total imports</i>	<i>Duty-free value of 807.00 imports</i>	<i>Ratio of duty-free 807.00 to total 807.00</i>	<i>Rate of duty Nominal Effective</i>		<i>Total duty savings</i>
	<i>Million dollars</i>	<i>Million dollars</i>	<i>Percent</i>	<i>Million dollars</i>	<i>Percent</i>	<i>- Percent -</i>		<i>Million dollars</i>
1984	322,990	28,122	9	6,901	25	4.8	3.6	325
1985	343,553	30,115	9	5,550	18	4.5	3.7	243
1986	368,657	36,032	10	5,972	17	4.0	3.3	246
1987	402,066	67,595	17	12,527	19	2.7	2.1	341
<i>Percentage change</i>								
Change, 1987 from 1984	24	140	89	82	(24)	(44)	(42)	5
Average annual change, 1987 from 1984	8	34	24	22	(8)	(17)	(16)	2

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 1-3

TSUS Item 807.00: Duty-free U.S. imports for consumption under TSUS Item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Percent of total duty-free value	
						1984	1987
	Million Dollars				Percent	Percent	
Mexico	2,530	2,934	3,332	4,417	75	37	35
Canada	658	570	853	3,783	475	10	30
Malaysia	814	217	85	622	(24)	12	5
Korea	547	175	66	391	(29)	8	3
Singapore	318	192	72	387	22	5	3
Japan	152	133	175	379	150	2	3
Philippines	536	141	66	322	(40)	8	3
Dominican Republic	143	177	236	294	106	2	2
United Kingdom	49	71	63	267	445	1	2
France	46	53	71	259	463	1	2
All other	1,108	887	953	1,406	27	16	12
Total	6,901	5,550	5,972	12,527	82	100	100

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 1-4

The 10 principal suppliers of U.S. Imports under TSUS Items 806.30 and 807.00 ranked by ratio of duty-free value to total value, 1987

Country	Ratio of U.S. content to total	Country share of total U.S. content	Leading products		
			1	2	3
	Percent	Percent	Percent of total from country		
Malaysia	58	5	Semiconductors (94)	Radio receivers and parts (3)	Miscellaneous electrical products (1)
Mexico	52	35	Motor vehicles (21)	Electrical conductors (11)	Internal combustion engines (9)
Singapore	23	3	Office machines (56)	Semiconductors (33)	Radio receivers (4)
Canada	18	30	Motor vehicles (70)	Motor-vehicles parts (11)	Internal combustion engines (6)
Korea	15	3	Motor vehicles (73)	Semiconductors (17)	Footwear (4)
United Kingdom	14	2	Motor vehicles (47)	Nonmilitary airplanes (32)	Motor-vehicle parts (6)
France	14	2	Nonmilitary airplanes (43)	Internal combustion engines (20)	Motor-vehicle parts (18)
Sweden	6	1	Motor vehicles (87)	Nonmilitary airplanes (7)	Machines for working metal and stone (3)
Japan	3	4	Motor vehicles (94)	Motor-vehicle parts (1)	Rail locomotives (1)
West Germany	2	1	Motor vehicles (93)	Internal combustion engines (5)	(¹)

¹ Not available.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Canada's share of duty-free TSUS item 807.00 imports expanded substantially during 1984-87, from only 10 percent to 30 percent. However, the sharp rise in duty-free item 807.00 imports from Canada does not indicate an increase in the use of U.S.-made components in Canadian manufacturing operations. Instead, it shows that U.S. importers claimed item 807.00 eligibility for duty-free articles from Canada that contain U.S.-made parts to avoid the Customs User Fee. In 1987, the major portion of the duty-free content of item 807.00 imports from Canada were of motor vehicles (\$2.3 billion), most of which already qualified for duty-free treatment under the APTA.

As the third largest supplier of item 807.00 imports based on duty-free content, Malaysia supplied \$622 million in imports, down from \$814 million in 1984, but up sharply from the \$85 million in 1986. Semiconductors were the dominant articles imported under item 807.00 from Malaysia (table 1-4). The decline in the duty-free content of item 807.00 imports from Malaysia during 1984-86 resulted from the elimination of duties in March 1985 on semiconductors (except transistors and certain discrete devices). The dramatic surge in duty-free item 807.00 imports from Malaysia between 1986 and 1987 can be attributed to U.S. manufacturers' efforts to avoid the user fee.

Duty savings

Of the 22 industry categories examined, apparel industries tended to have the highest ratios of U.S. content to total value (table 1-1). For example, TSUS item 807.00 imports of trousers, slacks, and shorts had the highest ratio of U.S. content to total value (69 percent) in 1987, and motor vehicles had the lowest (8 percent). The high U.S. content of apparel

combined with significantly higher duties on these products, provided duty savings under item 807.00 of \$194 million in 1987. Despite supplying only 2 percent of total imports under item 807.00 in 1987, the apparel industry accrued 57 percent of the duty savings. Motor vehicles, on the other hand, accounted for 62 percent of total 807.00 imports but only 22 percent (\$76 million) of the duty savings.

Imports from LDC's

Imports from LDC's accounted for 26 percent of all item 807.00 imports in 1987, down from 42 percent in 1984 (table B-4). However the total value of item 807.00 imports from LDC's increased from \$12 billion in 1984 to \$18 billion in 1987. The decline in the share of item 807.00 imports from LDC's, therefore did not indicate a decrease in such 807.00 activity in these countries, but rather reflected the jump in item 807.00 imports from developed countries as importers claimed 807.00 eligibility for many duty-free products to avoid the user fee.

Mexico was the primary source of item 807.00 imports from LDC's in 1987, providing 47 percent of imports from all LDC's in 1987, followed by Korea, Singapore and Malaysia, with shares of 14 percent, 9 percent, and 6 percent, respectively. The major products imported from Mexico under item 807.00 were motor vehicles, electrical conductors, and internal combustion engines and parts. Semiconductors and other electrical articles composed the bulk of item 807.00 imports from Malaysia and Singapore. Motor vehicles were the leading item 807.00 import category from Korea, with semiconductors a distant second. U.S.-made components accounted for 39 percent of the motor vehicle imports under item 807.00 from Mexico, but only 3 percent of such imports from Korea.

Chapter 2

Impact of the Customs User Fee on the Use of Items 806.30 and 807.00

The overall use of U.S.-made components in foreign manufacturing and assembly operations cannot be measured by the level of duty-free content of imports under TSUS items 806.30 and 807.00. Until recently, importers of products that entered free of duty under various provisions, such as the Generalized System of Preferences (GSP), Caribbean Basin Economic Recovery Act (CBERA), (APTA), Civil Aircraft Agreement, and U.S.-Israel Free Trade Agreement,¹ or had a bound most-favored-nation (MFN) duty rate of "free," such as transistors, diodes, agricultural equipment, lift trucks, outboard marine motors, and most semiconductors, had no incentive to attempt to enter goods under items 806.30 or 807.00. However, since December 1986, many importers of duty-free articles, except for those entered under the GSP AND CBERA, have been entering these goods containing U.S.-origin parts or metal under items 806.30 and 807.00 to avoid paying a user fee established by the U.S. Customs Service.² Consequently, for the duration of the user fee, the duty-free portion of imports under items

¹ See app. C for a description of these provisions.

² Goods receiving duty abatement are not eligible to be imported under TSUS items 806.30 or 807.00. This includes entry under the GSP, CBERA, or bilateral free trade agreements. However, goods with a bound GATT rate of duty of free, such as most semiconductors or goods under the APTA and the Civil Aircraft Agreement, do qualify for entry under items 806.30 and 807.00.

806.30 and 807.00 will more closely represent full use of U.S.-origin components and metal in foreign manufacturing operations.

Effective December 1, 1986, U.S. Customs regulations were amended to reflect the ad valorem user fee for merchandise processing (see Treasury Decision 86-205) authorized by the Omnibus Budget Reconciliation Act of 1986 (sec. 8101 of Public Law 99-509). The amended regulations require that merchandise formally entered, or withdrawn from warehouse for consumption, be subject to an ad valorem fee from December 1986 through September 1989 based on the appraised customs value of the merchandise. This fee was 0.22 percent ad valorem between December 1986 and September 1987, and was to be used to offset customs appropriations for salaries and expenses incurred in conducting commercial operations.³ However, there are several exceptions to the fee created by section 8101, including exemption from the fee for articles provided for in schedule 8 of the TSUS. (See 19 CFR 24.23(b)(1) (1987).) Both the dutiable and duty-free portions of articles provided for in items 806.30 and 807.00 are exempt from this user fee.

Traditional imports under item 806.30 and 807.00 grew from \$36.5 billion in 1986 to \$43.1 billion in 1987, or by 18 percent. However, adding in \$25.5 billion in imports with a free rate of duty which entered under these provisions to escape the user fee raises the 1987 total to \$68.6 billion. This gives the appearance of an 88-percent rise in the use of these provisions in 1987 over those in 1986.

³ From Oct. 1, 1987, through Sept. 30, 1989, the user fee was set at 0.17 percent ad valorem. Unless reauthorized by Congress, a user fee will not be charged after Sept. 30, 1989.

Item 807.00

In 1987, imports under TSUS item 807.00 of products with an unconditionally free rate of duty under item 807.00 totaled \$25 billion, 37 percent of total imports under item 807.00. Were it not for the user fee, imports under item 807.00 would have risen just 18 percent between 1986 and 1987, from \$36 billion to \$42.6 billion, instead of climbing 88 percent to \$67.6 billion; total imports under 807.00 would have accounted for 11 percent of overall imports in contrast to the 17 percent recorded in 1987.¹

APTA imports under item 807.00 totaled \$17.9 billion in 1987, accounting for 72 percent of these "free" imports (articles with an unconditionally free rate of duty that enter under item 807.00) (tables 1-1 and 2-1). Duty-free semiconductors totaled \$3.4 billion, 14 percent of the total; and imports under the Civil Aircraft Agreement, \$2.5 billion and 10 percent of the total. "Free" imports accounted for 34 percent of 1987 imports of motor vehicles under item 807.00; 90 percent of the semiconductors; 69 percent of the motor-vehicle parts, industrial vehicles, and rolling stock; and 60 percent of the internal combustion engines.

Subtracting the unconditionally "free" imports from official statistics reveals what the trend in imports under item 807.00 would have been if the user fee had not been imposed. Imports of motor vehicles would have risen 116 percent during 1984-87 instead of 227 percent; semiconductors would have fallen by 91 percent instead of 18 percent; motor-vehicle parts, industrial vehicles, and rolling stock would have grown 25 percent instead of 309 percent; and internal combustion engines would have climbed 56 percent instead of 285 percent (table 2-2).

In terms of U.S.-origin content, imports of products with an unconditionally free rate of duty totaled \$5.7 billion in 1987, 46 percent of the value of all U.S.-made components contained in U.S. imports under item 807.00. The U.S.-origin content of "free" imports accounted for 23 percent of these item 807.00 imports in 1987 compared with 16 percent for other imports under item 807.00. Were it not for the user fee, the U.S.-origin content of imports under item 807.00 would have increased just 14 percent between 1986 and 1987, from \$6 billion to \$6.8 billion, instead of doubling to \$12.5 billion. Furthermore, there would have been a 1 percent decrease during 1984-87 (table 2-2).

The U.S. content of APTA imports (\$2.8 billion) constituted 23 percent of the nondutiable portion of total 807.00 imports in 1987 (tables 1-1 and 2-1). U.S.-made components in semiconductors (\$1.9 billion)

accounted for 15 percent of the total; those in civil aircraft (\$637 million), 5 percent. "Free" imports accounted for 66 percent of the U.S.-origin content of imports of motor vehicles entered under item 807.00 in 1987; 90 percent of the semiconductors; 63 percent of motor-vehicle parts, industrial vehicles, and rolling stock; 36 percent of internal combustion engines; and 49 percent of miscellaneous machinery and equipment. If the user fee had not been imposed, imports of motor vehicles under item 807.00, in terms of U.S. content, would have risen from \$200 million to \$1.1 billion during 1984-87, instead of to \$3.4 billion; semiconductors would have fallen 92 percent instead of 24 percent; motor-vehicle parts, industrial vehicles, and rolling stock would have grown just 1 percent instead of 175 percent; internal combustion engines would have grown 44 percent instead of 125 percent; and miscellaneous machinery and equipment would have risen 33 percent instead of 113 percent (table 2-2). (Civil aircraft constituted 93 percent of the U.S. content of "free" miscellaneous machinery and equipment in 1987, \$485 million out of \$523 million.)

Canada was the dominant supplier, of "free" imports under item 807.00 in 1987, accounting for 77 percent (\$19.2 million) of the total value and 58 percent (\$3.3 billion) of the U.S.-origin content (tables 1-3 and 2-3). France was the second leading supplier, in terms of total value, providing 4 percent (\$1.1 billion). Malaysia was the second leading supplier in terms of U.S. content, accounting for 10 percent (\$595 million).

"Free" imports accounted for 91 percent of total item 807.00 imports from Canada in 1987 and 87 percent of the U.S.-origin content. These imports accounted for 64 percent of total item 807.00 imports from France and 96 percent of the U.S.-origin content of item 807.00 imports from Malaysia. Were it not for the user fee, imports under item 807.00 from Canada would have dropped from \$2.9 billion in 1986 to \$1.8 billion in 1987, instead of soaring to \$21 billion; Canada's share of the U.S.-origin content of total imports under item 807.00 would have been 4 percent instead of 31 percent; Japan's share would have been 34 percent instead of 22 percent. Canada's share of the U.S.-origin content of imports under item 807.00 would have been 7 percent instead of 30 percent; Mexico's share would have risen from 35 percent to 65 percent. APTA accounted for 93 percent of the "free" imports under 807.00 from Canada; civil aircraft and parts made up almost all such imports from France; and semiconductors accounted for 93 percent of these imports from Malaysia, 78 percent from Korea, 95 percent from the Philippines, and 94 percent from Singapore.

¹ Subtracting "free" imports from official statistics reveals what the trend in imports under item 807.00 would have been if the user fee had not been imposed.

Table 2-1

Articles with a free MFN rate of duty: U.S. Imports under TSUS Item 807.00, by industry groups, 1987

Industry group	Total value	U.S. content	Foreign value added	Ratio of U.S. content to total	Ratio of group to total U.S. content
	Million dollars			Percent	
Motor vehicles, including automobile trucks and truck tractors, motor buses, passenger automobiles, special-purpose motor vehicles, and snowmobiles	14,122	2,226	11,896	16	39
Semiconductors	3,386	1,923	1,463	57	34
Motor-vehicle parts, industrial vehicles, nonself-propelled vehicles, motorcycles, rail locomotives, and rolling stock	2,686	524	2,162	20	9
Other machinery and equipment	1,964	523	1,441	27	9
Internal combustion engines and parts	1,861	175	1,686	9	3
Other electrical articles	436	204	232	47	4
Furniture, mattresses, and pillows	243	68	175	28	1
Scientific instruments and apparatus	105	16	89	16	(¹)
Footwear	18	16	2	88	(¹)
Minerals and metals	106	7	99	7	(¹)
Chemicals, coal, petroleum, natural gas, and related products	10	7	3	76	(¹)
Radio and telephone equipment and parts	5	2	3	36	(¹)
Motors, generators, transformers, and related equipment	8	(²)	8	5	(¹)
Agricultural and forest products	1	(²)	(²)	52	(¹)
Other miscellaneous manufactures	1	(²)	(²)	38	(¹)
Office machines and parts	(²)	(²)	(²)	15	(¹)
Other textiles and apparel	(²)	(²)	(²)	41	(¹)
Total	24,950	5,694	19,256	23	100
Special categories:					
APTA	17,898	2,831	15,067	16	50
Civil aircraft	2,512	637	1,875	25	11
Agricultural equipment	344	24	320	7	(¹)

¹ Less than 0.5 percent.² Less than \$500,000.

Source: Compiled from official statistics of the U.S. Department of Commerce. See app. B for a concordance between these industry groups and item 807.00 commodity groups.

Table 2-2

U.S. Imports under TSUS Item 807.00, total and duty free, discounting for free rate imports, by industry groups, 1984 and 1987

Industry group	Duty-free value			Change, 1987 from 1984		Total value			Change, 1987 from 1984	
	1987					1987				
	1984	Total	Less free rate imports	Total	Less free rate imports	1984	Total	Less free rate imports	Total	Less free rate imports
Agricultural and forest products	83	124	124	50	50	117	202	201	73	72
Shirts and blouses	79	170	170	116	116	157	314	314	100	100
Trousers, slacks and shorts	128	296	296	130	130	179	428	428	139	139
Body-supporting garments	97	120	120	23	23	149	181	181	21	21
Footwear	55	89	73	62	33	93	301	283	223	204
Other textiles and apparel	227	389	389	71	71	349	617	617	77	77
Chemicals, coal petroleum, natural gas, and related products	13	42	35	215	169	26	104	94	299	262
Minerals and metals	36	149	142	309	309	92	376	270	285	193
Internal combustion engines and parts	216	487	312	125	44	820	3,139	1,278	283	56
Office machines and parts	371	494	492	32	32	1,841	2,237	2,237	22	22
Motors, generators, transformers, and related equipment	208	291	291	40	40	465	602	594	29	28
Television apparatus and parts, other than cameras and picture tubes	243	229	229	(6)	(6)	1,047	1,082	1,082	3	3
Radio and telephone equipment and parts	170	176	174	3	2	639	573	573	(10)	(10)
Tape recorders, record players and related equipment	77	125	125	61	61	244	621	621	154	154
Semiconductors	2,797	2,133	210	(24)	(92)	4,591	3,781	395	(18)	(91)
Other electrical articles	906	1,385	1,181	53	30	1,586	2,325	1,889	47	19
Motor vehicles, including automobile trucks and truck tractors, motor buses, passenger automobiles	200	3,362	1,136	15,800	468	12,775	41,761	27,639	227	116
Motor-vehicles parts, industrial vehicles, nonself-propelled vehicles, motorcycles, rail locomotives, and rolling stock	302	828	304	175	1	946	3,873	1,187	309	25
Other machinery and equipment	654	1,391	868	113	33	2,604	5,460	3,496	110	34
Scientific instruments and apparatus	110	219	203	100	85	214	486	381	127	78
Furniture, mattresses and pillows	15	117	49	691	277	68	422	179	519	163
Other miscellaneous manufactures	161	233	233	45	45	405	490	489	21	21
Total	6,901	12,527	6,833	85	(1)	28,122	67,595	42,645	140	52

Source: Compiled from official statistics of the U.S. Department of Commerce. See app. B for a concordance between these industry groups and item 807.00 commodity groups.

Table 2-3

Articles with a free MFN rate of duty: U.S. imports under TSUS item 807.00, by countries of assembly, 1987

Country	Total value	U.S. content	Foreign value added	Ratio of U.S. content to total	Ratio of country to total U.S. content
	Million Dollars			Percent	
Canada	19,185	3,276	15,909	17	58
Malaysia	1,008	595	413	59	10
Korea	512	286	226	56	5
Philippines	472	267	205	56	5
Singapore	566	223	343	39	4
Mexico	327	211	116	65	4
France	1,088	208	880	19	4
United Kingdom	867	204	663	24	4
Thailand	208	149	59	71	3
Taiwan	268	135	133	50	2
All other	449	140	309	31	2
Total	25,950	5,694	19,256	23	100

Source: Compiled from official statistics of the U.S. Department of Commerce.

Item 806.30

Imports of products with a free rate of duty under item 806.30 totaled \$517 million in 1987, 54 percent of total imports under item 806.30 (table 2-4). Were it not for the user fee, imports under item 806.30 would have fallen by 6 percent to \$437 billion in 1987, from \$466 million in 1986, instead of more than doubling to \$954 million (tables 2-5 and 6-3). In terms of U.S.-origin content, "free" imports under item 806.30 totaled \$142 million, 34 percent of the nondutiable value of all item 806.30 imports. Without the user fee, the nondutiable content of 806.30 imports would have slipped 11 percent in 1987, from \$308 million in 1986 to \$274 million. The nondutiable content of "free" imports composed 27 percent of these item 806.30 imports in 1987 compared with 63 percent for traditional imports under the provision.

Aircraft parts entering free of duty under the Civil Aircraft Agreement accounted for 94 percent (\$487 million) of the total value of all "free" imports under item 806.30 in 1987 and 86 percent of the nondutiable value of such imports (table 2-4). Imports under APTA accounted for 2 percent of each. Duty-free aircraft parts constituted 51 percent of the total value of imports under item 806.30 in 1987 and 29 percent of the nondutiable content. These aircraft parts made up 89 percent of total 806.30 imports of "other machinery and equipment" in 1987, and 94 percent of the nondutiable content of imports in this product group (tables 2-4 and 6-3).

Canada was by far the leading supplier of "free" imports under item 806.30 in 1987,

accounting for 85 percent (\$439 million) of the total value and 94 percent (\$133 million) of nondutiable content (table 2-6). Italy was the only other significant supplier, accounting for 13 percent (\$69 million) in terms of total value and 4 percent (\$5 million) in terms of the value of the U.S.-origin metal. Aircraft parts accounted for over 95 percent of the "free" item 806.30 imports from Canada in 1987 and all of these imports from Italy.

"Free" imports accounted for 80 percent of total item 806.30 imports from Canada in 1987 and 66 percent of the nondutiable content. By comparison, "free" imports accounted for only 0.5 percent of total item 806.30 imports from Japan and 0.6 percent of those from Mexico.

Were it not for the user fee, imports under item 806.30 from Canada would have dropped to \$112 million in 1987, 16 percent below the 1984 level instead of four times greater (table 2-6). Canada's share of total 806.30 imports would have dropped from 58 percent to 25 percent, Japan's share would have rise from 19 percent to 40 percent, and Mexico's share would have climbed from 12 percent to 25 percent. Similarly, in terms of the value of the U.S.-origin metal content, without the user fee, item 806.30 imports from Canada would have slipped to \$68 million in 1987, 34 percent less than in 1984, rather than double that year's level (\$102 million). Canada's share of the nondutiable content of item 806.30 imports in 1987 would have been 25 percent without the user fee (instead of 48 percent); Japan's share would have escalated from 26 percent to 39 percent, and Mexico's, share from 18 percent to 28 percent.

Table 2--4

Articles with a free rate of duty: U.S. imports under TSUS item 806.30, by industry groups, 1987

Industry group	Total value	U.S. content	Foreign value added	Ratio of U.S. content to total	Ratio of group to total U.S. content
	Million dollars			Percent	
Other machinery and equipment	507.3	137.1	370.3	27	97
Internal combustion engines and parts	5.0	2.0	3.0	40	1
Motor-vehicle parts, industrial vehicles, nonself-propelled vehicles, motorcycles, rail locomotives, and rolling stock	3.0	1.7	1.3	57	3
Semiconductors	.6	.4	.2	67	(1)
Other electrical articles	.5	.2	.3	40	(1)
Chemicals, coal, petroleum, natural gas, and related products	.2	.1	.1	48	(1)
Minerals and metals	.2	.1	.1	48	(1)
Total	516.8	141.6	375.3	27	100
Special categories:					
APTA	8.3	3.3	5.0	40	2
Parts for civil aircraft	487.1	121.7	365.4	25	86

1 Less than 0.5 percent.

Source: Compiled from official statistics of the U.S. Department of Commerce. See app. B for a concordance between these industry groups and item 807.00 commodity groups.

Table 2-5

U.S. Imports under TSUS Item 806.30, total and duty free, discounting for free rate imports, by industry groups, 1984 and 1987

Industry group	Duty-free value			Change, 1987 from 1984		Total value			Change, 1987 from 1984	
	1987		1987							
	1984	Total	Less free rate imports	Total	Less free rate imports	1984	Total	Less free rate imports	Total	Less free rate imports
Million dollars			Percent		Million dollars			Percent		
Agricultural and forest products	0.0	0.0	0.0	-	-	0.0	0.0	0.0	-	-
Textiles, apparel, and footwear	.0	.0	.0	-	-	.0	.0	.0	-	-
Chemicals, coal petroleum, natural gas, and related products	6.5	4.6	4.5	(29)	(31)	10.4	8.1	7.9	(22)	(24)
Minerals and metals	247.7	239.1	239.0	(3)	(4)	339.2	373.0	372.8	10	10
Internal combustion engines and parts	.4	2.4	.4	482	(1)	.5	5.4	.4	1,002	(20)
Office machines and parts	2.9	.1	.1	(98)	(98)	6.5	.4	.4	(93)	(93)
Motors, generators, transformers, and related equipment	4.7	7.8	7.8	65	65	6.6	10.3	10.3	56	56
Radio and telephone equipment and parts	(2)	.1	.1	204	204	(2)	.2	.2	486	486
Semiconductors	17.7	.4	.0	(98)	(100)	30.7	.6	.0	(98)	(100)
Other electrical articles	3.9	6.0	5.8	56	49	6.8	9.1	8.6	34	26
Motor-vehicles and parts, industrial vehicles, nonself- propelled vehicles, motorcycles, rail locomotives, and rolling stock	9.4	2.4	.7	(75)	(93)	12.8	3.0	.0	(77)	(100)
Other machinery and equipment	11.9	151.1	14.1	1,168	18	30.9	541.2	33.9	1,651	10
Miscellaneous manufactures	4.1	1.6	1.6	(62)	(62)	5.8	2.5	2.3	(56)	(60)
Total	309.3	415.5	273.9	34	(11)	450.2	953.9	437.1	112	(3)

¹ Less than 1 percent.² Less than \$50,000.

Source: Compiled from official statistics of the U.S. Department of Commerce.

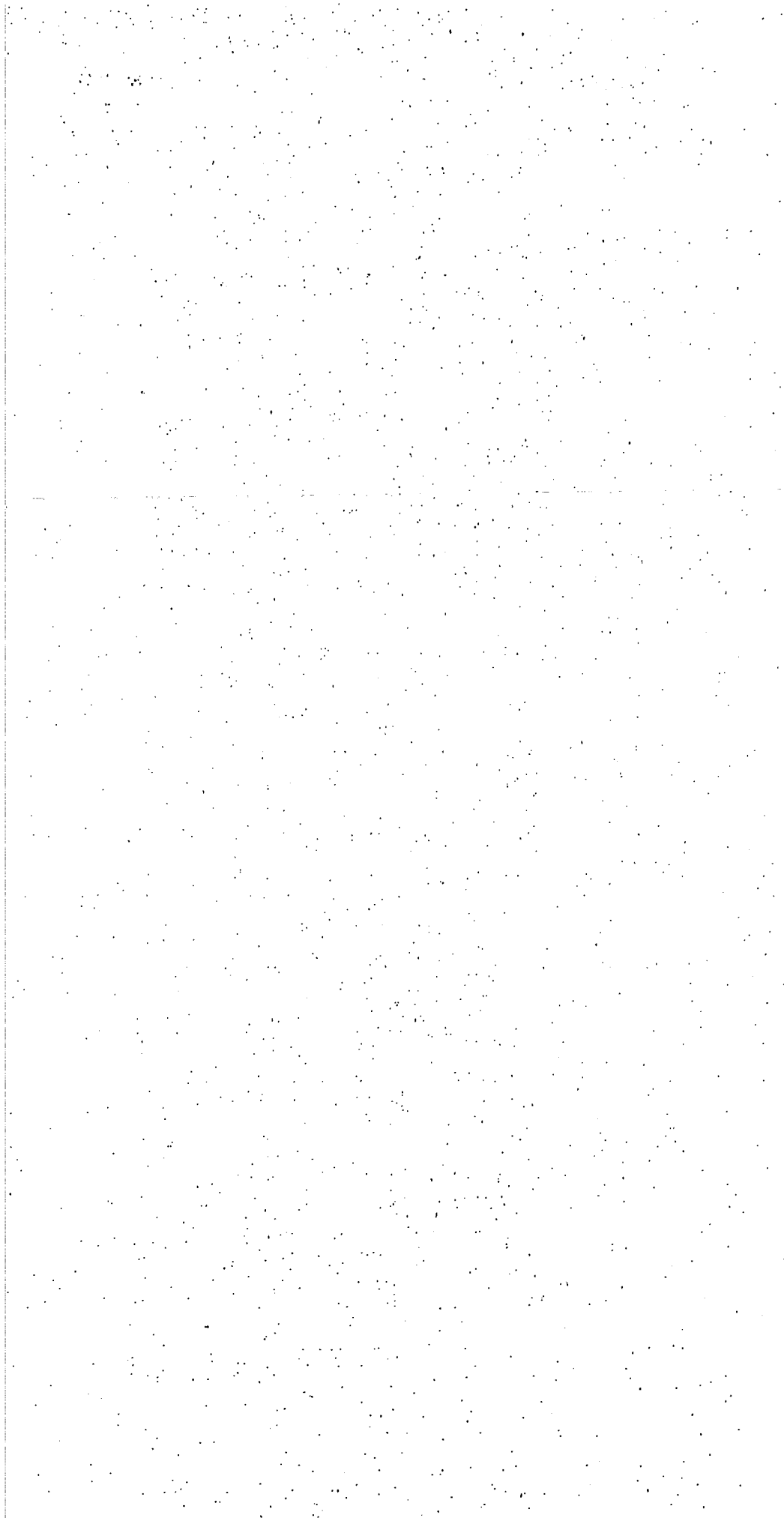
Table 2-6

Articles with a free rate of duty: U.S. Imports under TSUS Item 806.30, by countries of assembly, 1987

Country	Total value	U.S. content	Foreign value added	Ratio of U.S. content to total	Ratio of country to total U.S. content
	Million Dollars			Percent	
Canada	438.8	132.9	305.9	30	94
Italy	69.4	4.9	64.5	7	4
United Kingdom	3.9	1.7	2.2	43	1
Mexico .....	.7	.6	.1	84	(¹)
Japan .....	.9	.3	.6	37	(¹)
Australia .....	.8	.3	.5	41	(¹)
Malaysia .....	.3	.3	(²)	75	(¹)
Korea .....	.3	.2	.1	60	(¹)
West Germany .....	.6	.2	.4	28	(¹)
All other	1.1	.3	.8	27	(¹)
Total.	516.9	141.6	375.3	27	100

¹ Less than 0.5 percent.² Less than \$50,000

Source: Compiled from official statistics of the U.S. Department of Commerce.



Chapter 3

Imports Under TSUS Item 807.00: Machinery and Equipment

U.S. imports of machinery and equipment rose by 50 percent during 1984-87, from \$117 billion to \$175 billion (table 3-1). Imports of machinery and equipment entered under item 807.00 climbed by 142 percent during this period, from \$26 billion to \$64 billion. Machinery and equipment accounted for 94 percent of total item 807.00 imports in 1987.

The ratio of imports of machinery and equipment entered under item 807.00 to total imports of machinery and equipment increased from 23 percent in 1984 to 36 percent in 1987. The substantial increase from 1986 to 1987 can be attributed primarily to the increased use of the item 807.00 by importers of duty-free articles wishing to avoid the U.S. Customs User Fee, which was established in December 1986.

The U.S.-origin content of machinery and equipment imports under item 807.00 increased by 79 percent during the period, to \$11 billion in 1987. Although the absolute amount of duty-free content rose, the ratio of duty-free value to total value of item 807.00 imports fell from 22 percent in 1984 to 17 percent in 1987. Most of the increase in item 807.00 imports attributed to the user fee in 1987 was accounted for by products receiving duty-free treatment under the Automotive Products Trade Act of 1965 (APTA) and the Civil Aircraft Agreement. These products, chiefly from Canada, are less reliant on U.S.-made components than are imports from

Mexico, where locally made substitutes are often not available. For example, U.S.-made components accounted for just 16 percent of the value of motor vehicles imported under item 807.00 from Canada in 1987, but 39 percent of the value of such vehicles from Mexico.

The principal machinery and equipment articles imported under item 807.00 during 1984-87 were motor vehicles, semiconductors, and internal combustion engines. In 1987, these products accounted for 76 percent of the machinery and equipment imported under item 807.00 and 57 percent of the duty-free value of those imports. Because of the user fee, Canada surpassed Japan as the top supplier of item 807.00 imports in terms of total value in 1987. Canada, Japan, West Germany, and Mexico together accounted for 79 percent of total item 807.00 imports of machinery and equipment; Canada and Mexico furnished two-thirds of the duty-free content of item 807.00 imports (table 3-2). Reaction to the user fee was largely responsible for the rise in the duty-free content of item 807.00 imports from Canada of from 10 percent of total U.S. content in item 807.00 imports in 1984 to 35 percent in 1987. The most significant imports under item 807.00 from developed countries (principally Canada, Japan, and West Germany) were motor vehicles; those from LDC's (chiefly Mexico, Malaysia, and Singapore) were electronic products.

U.S. imports of machinery and equipment under the GSP during 1984-87 increased by 44 percent from \$3.5 billion to \$5.1 billion. Imports under this preferential tariff program remained relatively constant at 3 percent of total machinery and equipment imports during the period, increasing at a slower, though more consistent, rate than imports under item 807.00.

Table 3-1

Machinery and equipment: U.S. imports for consumption, total and under TSUS item 807.00, 1984-87

Year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
						Nomi-nal	Effec-tive	
	Million dollars	Million dollars	Percent	Million dollars	Percent	— Percent —		Million dollars
1984	116,837	26,269	23	5,893	22	4.0	3.1	183
1985	135,085	27,638	21	4,282	16	3.6	3.0	128
1986	160,080	33,202	21	4,409	13	3.3	2.9	128
1987	174,979	63,653	36	10,565	17	2.1	1.8	190
Percentage change								
Change, 1987 from 1984	50	142	62	79	(26)	(48)	(42)	4
Average annual change, 1987 from 1984	14	34	17	22	(9)	(19)	(17)	1

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 3-2

Machinery and equipment: Duty-free U.S. imports for consumption under TSUS Item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Percent of total duty-free value	
						1984	1987
	Million Dollars				Percent	Percent	
Canada	606	516	795	3,648	502	10	35
Mexico	2,019	2,316	2,551	3,470	72	34	33
Malaysia	814	216	83	621	(24)	14	6
Singapore	314	191	70	386	23	5	4
Korea	544	138	60	380	(30)	9	4
Japan	149	127	140	370	148	3	4
All other	1,448	778	711	1,693	17	25	16
Total	5,893	4,282	4,409	10,565	79	100	100

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Motor Vehicles

Total U.S. imports of motor vehicles increased 65 percent during 1984-87, to \$62.5 billion. The value of item 807.00 imports of motor vehicles also rose dramatically during this period, from \$12.8 billion in 1984 to \$41.8 billion in 1987 (table 3-3).

The APTA allows most motor vehicles and original-equipment motor-vehicle parts imported from Canada to enter the United States free of duty. APTA imports that were also declared eligible for classification under item 807.00 jumped from practically zero in 1984 and 1985 to \$21.1 billion in 1987. APTA-807 imports increased dramatically in 1987 because companies entered APTA products under TSUS item 807.00 to avoid the Customs User Fee that was established in December 1986. Because of the surge in APTA-807 imports, the ratio of the value of item 807.00 imports to the value of total imports of motor vehicles subsequently doubled to 67 percent in 1987.

Although the ratio of duty-free content to total value of item 807.00 imports for motor vehicles was relatively small compared with other commodities such as apparel, the ratio of duty-free content to total value increased steadily to 8 percent in 1987 for a total of \$3.4 billion.

Reflecting the use of item 807.00 by importers of duty-free motor vehicles from Canada, the nominal rate of duty fell from 3.6 percent to 2.1 percent ad valorem during 1984-87. Similarly, the effective rate of duty decreased from 3.5 percent in 1984 to 1.9 percent ad valorem in 1987. However, the total duty savings accelerated from \$7 million to \$77 million during the period, as shown in table 3-3, reflecting the additional volume of imports and the increased use of U.S.-made auto parts in foreign-assembled vehicles.

The principal motor vehicles covered here are new and used automobiles, automobile trucks and truck tractors, buses, snowmobiles, golf carts, all-terrain vehicles, fire engines, and special-purpose vehicles such as mobile cranes, cement trucks, and mobile oil rigs. Automobiles accounted for 87 percent of the value of motor-vehicle imports under item 807.00 in 1987, with automobile trucks and special-purpose vehicles accounting for most of the remaining 13 percent.

The principal sources of imports of motor vehicles under TSUS item 807.00 throughout 1984-87, most of which were new automobiles, were Canada, Japan, and West Germany, as shown in table 3-4. Imports from these three countries comprised about 78 percent of the

U.S.-origin content of motor vehicles entered under item 807.00, and about 85 percent of the total value of 807.00 imports in 1987. The value of the U.S.-origin content in item 807.00 imports of motor vehicles from Canada rose dramatically during the period, from only \$8 million in 1984 to \$2.3 billion in 1987, as shown in table 3-4. Reflecting the impact of the Customs User Fee, Canada's share of the U.S.-origin content of imports under item 807.00 also escalated from only 4 percent of the total in 1984, to 69 percent of the total in 1987, making it the largest supplier of item 807.00 imports in terms of U.S.-origin content. APTA imports accounted for 96 percent of the U.S. content of all imports of motor vehicles from Canada in 1987 entered under item 807.00.

Canada was the leading source of imports of motor vehicles under item 807.00 in 1987, supplying 34 percent of the total, or \$14.3 billion, up from only \$20 million in 1984. Imports under the APTA accounted for 98 percent of the 1987 total from Canada. Japan, the second largest source of item 807.00 imports in 1987, accounted for 33 percent of total imports, or \$13.8 billion, compared with \$7.9 billion in 1984. Imports from West Germany under item 807.00 rose from \$3.5 billion in 1984 to \$7.4 billion in 1987, and accounted for 18 percent of total imports.

The principal motor-vehicle parts that qualify for duty-free treatment under item 807.00 are headlights, wheels, glass, fabric, tires, engine parts, catalytic converters, and batteries. Most of these articles are installed on automobiles and lightweight pickup trucks from Japan, automobiles exported from West Germany and Sweden, and special-purpose vehicles exported from Mexico and Canada.

Foreign manufacturers use U.S.-produced components for several reasons. Patent constraints may make it more economical and convenient for a foreign motor-vehicle manufacturer to purchase certain components from a U.S. manufacturer. U.S. laws and regulations sometimes require that a certain component be installed on motor vehicles sold in the United States to meet safety or environmental requirements. In some cases, it is also less expensive to purchase U.S. components than to establish production facilities in the producing country. Finally, foreign governments may encourage the purchase of U.S.-produced components in order to reduce trade deficits with the United States.

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Table 3-3

Motor vehicles: U.S. Imports for consumption, total and under TSUS Item 807.00, 1984-87

Year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nominal	Effective	Million dollars
1984	37,888	12,775	34	200	3	3.6	3.5	7
1985	47,143	17,128	36	502	3	3.6	3.5	18
1986	59,380	23,398	40	930	4	3.2	3.0	30
1987	62,474	41,761	67	3,362	8	2.1	1.9	77
<hr/>								
	Percentage change							
Change, 1987 from 1984	65	227	98	1,582	414	(42)	(46)	954
Average annual change, 1987 from 1984	18	48	26	156	73	(16)	(18)	119

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 3-4

Motor vehicles: Duty-free U.S. imports for consumption under TSUS Item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Percent of total duty-free value	
						1984	1987
		Million Dollars			Percent		Percent
Canada	8	8	234	2,319	28,900	4	69
Mexico	57	270	370	576	911	29	17
Japan	53	80	85	244	360	27	7
Korea	(¹)	(¹)	17	66	(²)	(³)	2
West Germany	55	87	68	59	7	28	2
Brazil	1	7	117	32	3,100	1	1
France	3	5	5	20	567	2	1
All others	23	45	34	246	100	12	1
Total	200	502	930	3,362	1,582	100	100

¹ Less than \$500,000.

² Not applicable.

³ Less than 0.5 percent.

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes the concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for motor vehicles:

TSUS item	HTS subheading	TSUS item	HTS subheading
692.02	8701.20.00	692.11	8703.21.00
	8704.10.50		8703.22.00
	8704.21.00		8703.23.00
	8704.22.50		8703.24.00
	8704.23.00		8703.31.00
	8704.31.00		8703.32.00
	8704.32.00		8703.33.00
	8716.31.00		8703.39.00
	8716.39.00		8703.90.00
692.03	8701.20.00	692.14	8705.30.00
	8704.21.00		8430.20.00
	8704.22.50	692.16	8705.10.00
	8704.23.00		8705.20.00
	8704.31.00		8705.30.00
	8704.32.00		8705.40.00
			8705.90.00
692.04	8702.10.00	692.20	8704.10.10
	8702.90.00		8704.22.10
692.07	8702.10.00	692.21	8706.00.10
	8702.90.00		8707.90.50
692.10	8703.21.00	692.22	8704.10.10
	8703.22.00		8704.22.10
	8703.23.00		8706.00.10
	8703.24.00		8707.90.50
	8703.31.00		
	8703.32.00	692.29	8701.20.00
	8703.90.00		8706.00.20
	8704.90.00		8707.10.00
	8713.90.00		8707.90.50
			8708.99.30
		692.31	8701.20.00
			8701.20.00

Semiconductors

U.S. imports of semiconductors fell from \$6.9 billion in 1984 to \$5 billion in 1985, then rebounded to \$6.5 billion in 1987. Imports entered under item 807.00 dropped from \$4.6 billion in 1984 to \$0.5 billion in 1986, then recovered to \$3.8 billion in 1987. The ratio of imports entered under item 807.00 to total imports declined from 67 percent in 1984 to 11 percent in 1985, then grew to 58 percent in 1987.

The U.S. content of semiconductor imports entered under item 807.00 fluctuated during 1984-87, falling from \$2.8 billion in 1984 to \$293 million in 1986, and then increasing to \$2.1 billion in 1987. The decrease in the first three years can be attributed to the elimination of duties in March 1985 on all products in the commodity group except for transistors and certain discrete devices. The 600-percent increase in the duty-free value of imports entered under item 807.00 between 1986 and 1987 resulted from manufacturers' efforts to avoid the Customs Users Fee.

Following the elimination of duties on most semiconductors in 1985, the nominal and effective rates of duties on these products fell from 4.2 percent to 0.2 percent and from 1.6 percent to 0.1 percent, respectively, between 1984 and 1985 and remained at those levels through 1987. The total duty savings on items entered under item 807.00 plunged from \$118 million in 1984 to an average of \$2 million annually during 1984-87, as shown in table 3-5.

Semiconductors include integrated circuits, transistors, diodes, rectifiers, and other discrete

solid-state devices. These are produced as chips and dice that are wire bonded into packages and encapsulated and tested. Wire bonding and encapsulation are labor-intensive operations. U.S. producers of semiconductors have chips and dice assembled overseas in low-wage countries to reduce production costs, and then reimport the products under item 807.00. Monolithic integrated circuits made up an average of 87 percent of total U.S. imports of semiconductors in each of the years during 1984-87. However, imports of monolithic integrated circuits entered under item 807.00 fell progressively from 83 percent in 1984 to 36 percent in 1987.

Japan was the largest source of total imports of semiconductors in all four years, followed by Malaysia and Korea. Japan accounted for an average of 27 percent of total semiconductor imports during 1984-87. However, the value of duty-free imports of semiconductors from Japan entered under item 807.00 was insignificant. Malaysia was the largest source of duty-free item 807.00 imports in three of the four years, followed by Korea, the Philippines, and Canada, respectively (table 3-6). Articles with a free rate of duty accounted for 90 percent of total imports of semiconductors under item 807.00 in 1987. Duty-free semiconductors also accounted for 94 percent of the U.S. content of all semiconductors imported from Malaysia under item 807.00 in 1987.

Elimination of the duty on imports for most semiconductors in early 1985 has removed the incentive for entering these articles under GSP. Consequently, trade under the GSP is negligible.

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Table 3-5

Semiconductors: U.S. Imports for consumption, total and under TSUS Item 807.00, 1984-87

Year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
						Nomi- nal	Effec- tive	
	Million dollars	Million dollars	Percent	Million dollars	Percent	— Percent —		Million dollars
1984	6,902	4,592	67	2,797	61	4.2	1.6	118
1985	5,008	1,243	25	733	59	0.2	0.1	2
1986	5,056	545	11	293	54	0.3	0.1	1
1987	6,528	3,781	58	2,133	56	0.2	0.1	4
Percentage change								
Change, 1987 from 1984	(5)	(18)	(13)	(24)	(7)	(95)	(94)	(96)
Average annual change, 1987 from 1984	(2)	(6)	(5)	(9)	(3)	(64)	(60)	(67)

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 3-6

Semiconductors: Duty-free U.S. imports for consumption under TSUS item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Percent of total duty-free value	
					1984	1987	
	Million Dollars				Percent	Percent	
Malaysia.....	771	173	49	595	(23)	28	28
Republic of Korea.....	521	120	29	283	(46)	19	13
Philippines.....	512	107	20	267	(48)	18	13
Canada.....	202	125	103	252	25	7	12
Singapore.....	209	48	14	223	7	8	10
Mexico.....	149	59	39	178	20	5	8
Thailand.....	126	21	7	149	18	5	7
Taiwan.....	90	29	23	138	53	3	7
All others.....	217	51	10	49	(78)	8	2
Total.....	2,797	733	293	2,133	(24)	100	100

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes the concordance that shows the TSUS items and the TSUS items and the Harmonized Tariff Schedule subheadings for semiconductors:

TSUS item	HTS subheading	TSUS item	HTS subheading
687.70	8541.21.00	687.81	8541.50.00
	8541.40.40		
687.72	8541.10.00	687.85	8541.90.00
	8541.40.40		8542.19.00
687.74	8542.11.00	687.87	8641.50.00
	8542.19.00		

Motor-Vehicle Parts, Miscellaneous Motor Vehicles, and Non-Self-Propelled Vehicles

U.S. imports of goods contained in this commodity grouping increased by 38 percent during 1984-87, to \$13.2 billion (table 3-7). The value of total imports, exclusive of those entering duty free under the APTA, increased to \$8.8 billion in 1987. The APTA is limited to certain motor vehicle and motor-vehicle parts imported from Canada for use as original equipment. APTA-covered imports under TSUS item 807.00 increased significantly in 1987 because companies entered APTA and other duty-free products under item 807.00 to avoid the Customs Users Fee. U.S. APTA imports under TSUS item 807.00 rose from \$53 million in 1986 to over \$1 billion in 1987, making Canada the leading source of imports entered under item 807.00 in 1987.

Largely as a result of the surge in APTA-807 imports, the ratio of the value of item 807.00 imports to the value of all imports included in this grouping more than tripled to 26 percent in 1987, as shown in table 3-7. In addition, the ratio of non-APTA 807.00 imports to total imports increased during the period to 26 percent in 1987.

The duty-free value of item 807.00 imports rose to \$656 million in 1987, as shown in table 3-7. However, the ratio of duty-free value to total value of item 807.00 imports covered in this grouping slipped from 28 percent in 1984 to 19 percent in 1987.

During the period, Mexico recorded the largest ratio of the value of U.S.-made components contained in imports under item 807.00 to total item 807.00 value, increasing to 76 percent in 1987. Japan and France showed the lowest ratio of duty-free to total item 807.00 import value, with 2 and 3 percent, respectively, in 1987.

Canada was by far the leading foreign supplier of these products to the United States during the period. However, the ratio of U.S. imports from Canada to total U.S. imports fell from nearly 50 percent in 1984 to 40 percent in 1987. U.S. imports from the second leading U.S. supplier, Japan, jumped by 59 percent during 1984-87, to \$3.5 billion. Brazil and Taiwan doubled their shipments to the United States over the period.

However, each accounted for only about 1 percent of the import total. U.S. imports from Korea increased from \$30 million in 1984 to \$162 million in 1987, or by 1 percent of imports.

Both the nominal and effective rates of duties for this grouping fell by over 60 percent during the period, to 0.7 percent and 0.6 percent, respectively. The total duty savings as a result of the use of TSUS item 807.00 provision increased by 10 percent to \$5 million in 1987.

Certain motor-vehicle parts, including transmissions, shock absorbers, brakes, and other miscellaneous parts such as clutches, catalytic converters, u-joints, and transaxles accounted for 63 percent of total item 807.00 imports in 1987. Forklifts and similar industrial trucks represented 10 percent of the total value, whereas tractors, tanks, motorcycles, and non-self-propelled vehicles made up much of the remaining portion.

Mexico was the leading supplier of motor-vehicle parts and industrial vehicles in terms of U.S. content of imports under item 807.00 during 1984-86, accounting for 68 percent of the total (table 3-8). Most of these imports were from U.S. companies with maquiladora operations for the assembly of auto parts. These assembly facilities are concentrated in Nuevo Laredo and Ciudad Juarez. The value of the U.S. content of these imports from Mexico grew by 28 percent in 1987 compared with those in 1986, from \$136 million to \$174 million. Because of the declaration of the eligibility of APTA imports under item 807.00 in order to avoid the Customs User Fee, imports from Canada jumped from \$46 million in 1986 to \$430 million in 1987. During 1984-87, Canada's share of the U.S. content of total imports of the covered products under item 807.00 jumped from 12 percent to 66 percent, whereas Mexico's share dropped from 70 percent to 27 percent.

Item 807.00 imports from all countries generally increased during 1984-87, primarily because domestic motor-vehicle production and U.S. imports of forklift trucks and similar industrial vehicles from overseas subsidiaries of U.S. corporations continued to increase. Total imports under the GSP increased from \$153 million in 1984 (2 percent of total imports) to \$188 million in 1987 (1 percent of total imports).

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Table 3-7

Motor-vehicle parts, miscellaneous motor vehicles, and non-self-propelled vehicles: U.S. Imports for consumption, total and under TSUS Item 807.00, 1984-87

Year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nominal	Effective	Million dollars
1984	9,593	675	7	190	28	2.2	1.6	4.2
1985	10,838	887	8	219	25	2.0	1.5	4.4
1986	12,063	893	7	220	25	2.4	1.8	5.3
1987	13,208	3,415	26	656	19	.7	.6	4.6
Percentage change								
Change, 1987 from 1984	38	406	270	245	(32)	(68)	(63)	10
Average annual change, 1987 from 1984	11	72	55	51	(12)	(32)	(28)	3

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 3-8

Motor-vehicle parts, miscellaneous motor vehicles, and non-self-propelled vehicles: Duty-free U.S. Imports for consumption under TSUS item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Percent of total duty-free value	
					1984	1987	
	Million Dollars				Percent	Percent	
Canada	23	19	46	430	1,779	12	66
Mexico	133	158	136	174	30	70	27
Italy	(¹)	(¹)	(¹)	16	9,068	(²)	3
France	15	14	12	9	(40)	8	1
United Kingdom	8	8	9	9	20	4	1
Korea	(¹)	(¹)	1	6	(³)	(²)	1
Japan	3	5	2	4	48	1	1
Brazil	2	7	7	3	51	1	1
All others	6	9	8	4	(33)	3	1
Total	190	219	220	656	245	100	100

¹ Less than \$500,000.

² Less than 0.5 percent.

³ Not available.

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes the concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for motor-vehicle parts, miscellaneous motor vehicles, and non-self-propelled vehicles:

TSUS item	HTS subheading	TSUS item	HTS subheading
692.14	8705.30.00	692.32-Con.	8716.31.00
			8716.39.00
692.16	8430.20.00		8716.40.00
	8705.10.00		8716.90.50
	8705.20.00		
	8705.30.00	692.33	8708.10.00
	8705.40.00		8708.29.00
	8705.90.00		8708.31.50
			8708.39.50
692.32	8408.60.80		8708.40.10
	8708.10.00		8708.40.20
	8708.29.00		8708.40.50
	8708.31.50		8708.50.50
	8708.39.50		8708.70.80
	8708.40.10		8708.80.50
	8708.40.20		8708.91.50
	8708.40.50		8708.92.50
	8708.50.50		8708.93.50
	8708.50.80		8708.99.50
	8708.60.50		
	8708.70.80	692.34	8701.10.00
	8708.80.50		8701.90.10
	8708.91.50		8703.30.10
	8708.92.50		8703.31.10
	8708.93.50		8707.93.10
	8708.99.50		8708.39.10
			8708.40.30

Motor-vehicle parts, miscellaneous motor vehicles, and non-self-propelled vehicles—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
692.34—Con.	8708.50.10	692.40—Con.	8431.20.00
	8708.60.10		8709.11.00
	8708.60.30		8709.19.00
	8708.70.10		8709.90.00
	8708.80.10		
	8708.91.10	692.45	8710.00.00
	8708.92.10		
	8708.93.10	692.52	8711.40.60
	8708.94.10		8711.50.00
	8708.99.10		
		692.53	8711.10.00
692.35	8701.30.50		8711.20.00
	8701.90.50		8711.30.00
	8706.00.50		8711.40.30
	8708.93.10		8711.90.00
	8708.39.10		
	8708.40.30	692.55	8711.90.00
	8708.50.10		8714.11.00
	8708.60.10		8714.19.00
	8708.60.30		
	8708.70.10	692.60	8716.10.00
	8708.80.10		8716.20.00
	8708.91.10		8716.31.00
	8708.92.10		8716.39.00
	8708.93.10		8716.40.00
	8708.94.10		8716.80.00
	8708.99.10		
692.40	8427.10.00		
	8427.20.00		
	8427.90.00		

Office Machines and Parts

Imports of office machines and parts increased by 74 percent during 1984-87, from \$10.6 billion to \$18.3 billion. However, imports of these products entered under TSUS item 807.00 increased by only 22 percent from \$1.8 billion to \$2.2 billion, as shown in table 3-9. From 1984 to 1987, the annual growth rate for all office machines and parts was 20 percent per year and the growth rate for those entered under item 807.00 was 7 percent per year. The value of the duty-free content returned under item 807.00 was nearly constant at an average of 23 percent of the overall value of office machines and parts entered under item 807.00 each year, reaching \$494 million in 1987.

Both the nominal and effective rates of duty for items entered under this provision dropped significantly. For office machines and parts entered under item 807.00 in 1984, the nominal and effective rates of duty were 4.4 percent and 3.5 percent, respectively. By 1987, these figures had dropped to a nominal rate of 1.3 percent and an effective rate of 1.0 percent. Most of the decline occurred in 1986 and 1987. Total duty savings fell from \$16 million to \$7 million during the period.

In 1986, imported parts and subassemblies of automatic data processing (ADP) machines became duty free. The duty-free ADP machine parts and subassembly imports totaled \$4.8 billion in 1986 and \$7.5 billion in 1987, or 33 and 41 percent, respectively, of imports of all office machines during these years. To avoid the Customs User Fee, U.S. companies began to enter unconditionally duty-free goods under item 807.00 in December 1986. However, these imports with a free rate of duty accounted for only 5 percent of the total value of 807.00

imports in 1987 and 3 percent of the U.S. content.

Except for 1986, when the duty-free treatment of ADP machines parts obviated the need for the use of TSUS item 807.00, nearly all significant suppliers displayed steady increases in the use of item 807.00. Canada was the leading source of imports under item 807.00 in 1987, in terms of U.S. content, accounting for nearly one-third of the total in both 1984 and 1987 (table 3-10). Although the share of duty-free item 807.00 imports accounted for by Singapore rose from 16 percent to 26 percent during the period, Mexico's share dropped from 34 percent to 25 percent. This reflected the rapid development of Singapore as a producer/assembler of technologically advanced electronic goods. U.S.-made components accounted for 36 percent of the value of item 807.00 imports from Canada in 1987 and 43 percent from Mexico, but only 13 percent from Singapore.

Item 807.00 is used by office machine producers to rationalize production. Most U.S. producers have Canadian subsidiaries with whom they exchange semifinished products; these products are then completed to meet the specific technical specifications of individual countries and markets. U.S. producers also use labor-intensive operations performed by low wage assemblers in Singapore, Mexico, and Hong Kong to reduce production costs.

Most major supplying countries have been graduated from eligibility for the duty-free entry of office machine products under the GSP. In 1987, GSP imports totaled \$378 million. GSP imports from Singapore, the largest supplier, amounted to \$208 million and total item 807.00 imports from Singapore were \$956 million, of which \$127 million was U.S.-origin content.

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Table 3-9

Office machines and parts thereof: U.S. imports for consumption, total and under TSUS Item 807.00, 1984-87

Year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nomi- nal	Effec- tive	Million dollars
1984	10,556	1,841	17	371	20	4.4	3.5	16.3
1985	11,455	1,804	16	416	23	4.3	3.3	17.9
1986	14,606	625	7	148	24	2.9	2.2	7.5
1987	18,334	2,237	12	494	22	1.3	1.0	6.7
<hr/>								
	Percentage change							
Change, 1987 from 1984	74	22	(30)	33	9	(70)	(71)	(61)
Average annual change, 1987 from 1984	20	7	(11)	10	3	(33)	(34)	(27)

Note.—Because of rounding, some columns may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 3-10

Office machines and parts thereof: Duty-free U.S. imports for consumption under TSUS item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Percent of total duty-free value	
						1984	1987
		Million Dollars			Percent	Percent	
Canada	120	112	89	158	32	32	32
Singapore	60	82	25	127	113	16	26
Mexico	127	140	14	124	(3)	34	25
Hong Kong	26	34	14	27	6	7	6
Taiwan	8	15	7	18	145	2	4
Korea	6	4	1	11	67	2	2
All others	25	30	29	30	17	7	6
Total	371	417	148	494	33	100	100

Note.—Because of rounding, some figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes the concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for office machines and parts thereof:

TSUS item	HTS subheading	TSUS item	HTS subheading
676.05	8469.21.00	676.10	8472.20.00
	8469.29.00		
	8469.31.00	676.12	8472.90.60
	8469.39.00		
		676.15	8470.40.00
676.07	8469.10.00		8471.10.00

Office machines and parts thereof—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
676.15—Con.	8471.20.00	676.31	8471.92.10
	8471.91.00		8471.92.40
			8471.92.65
676.16	8471.10.00		8471.92.90
	8471.20.00		8471.93.20
	8471.91.00		8471.93.40
			8471.93.60
676.20	8470.10.00		
	8470.21.00	676.50	8471.00.00
	8470.29.00		9612.10.10
	8470.30.00		9612.10.90
676.22	8470.50.00	676.54	8471.92.20
			8471.92.30
676.23	8470.30.00		8471.92.70
			8471.92.80
676.25	8470.90.00		8471.93.10
			8471.93.15
	8472.30.00		8471.93.30
			8471.93.50
676.30	8471.92.10		8471.99.15
	8471.92.20		8471.99.60
	8471.92.40		8473.30.40
	8471.92.65		8542.20.00
	8471.92.90		9612.10.10
	8471.93.20		9612.10.90
	8471.93.40		
	8471.93.65	676.56	8473.21.00
	8471.99.90		8473.29.00
	8472.09.80		8473.30.80
	8472.30.00		8473.40.00
	9008.20.40		9008.90.40
	9009.11.00		9009.90.00
	9009.12.00		9612.10.10
	9009.21.00		9612.10.90
	9009.22.00		
	9009.30.00		

Nonmilitary Airplanes

U.S. imports of civil airplanes and helicopters increased by 55 percent during 1984-87, from \$1.3 billion to \$2.0 billion (table 3-11). Imports of these articles under TSUS item 807.00 soared from \$106 million in 1984 to \$1.7 billion in 1987, which caused the ratio of 807.00 imports to total imports to rise dramatically, from 7 percent in 1984 to 85 percent in 1987. Most of the surge in item 807.00 imports occurred between 1986 and 1987 because importers sought to avoid the Customs User Fee.

The U.S.-origin content of item 807.00 imports climbed from \$23 million in 1984 to \$477 million in 1987 (table 3-11). However, the ratio of duty-free content to total imports under item 807.00 was fairly stable, increasing from 26 percent to 28 percent. The nominal and the effective rates of duty were both zero during the

period. Consequently, there were no duty savings through the use of item 807.00 during the period.

Although the value of total imports of nonmilitary airplanes from France more than doubled during 1984-87, from \$400 million to \$810 million, total item 807.00 imports from France increased sevenfold, to \$741 million in 1987, more than from any other source. Imports of planes from the United Kingdom rose from \$385 million in 1984 to \$596 million in 1987, and total item 807.00 imports from the United Kingdom rose from zero to \$564 million during this period. The United Kingdom was the leading supplier of civil aircraft, in terms of the U.S. content of such imports under item 807.00, accounting for 39 percent of the total in 1987, followed by Canada with 23 percent, France with 20 percent (compared with 97 percent in 1984), and Sweden with 14 percent (table 3-12).

Contact Peder Anderson at 252-1388

Table 3-11

Nonmilitary airplanes: U.S. imports for consumption, total and under TSUS Item 807.00, 1984-87

Year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nomi- nal	Effec- tive	Million dollars
1984	1,308	87	7	23	26	0	0	0
1985	1,653	78	5	22	33	0	0	0
1986	2,034	145	7	39	27	0	0	0
1987	2,028	1,732	85	477	28	0	0	0
<hr/>								
	Percentage change							
Change, 1987 from 1984	55	1,891	1,114	1,974	8	None	None	None
Average annual change, 1987 from 1984	16	171	130	175	3	None	None	None

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 3-12

Nonmilitary airplanes: Duty-free U.S. imports for consumption under TSUS item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Percent of total duty-free value	
						1984	1987
	Million Dollars				Percent	Percent	
United Kingdom	0	0	1.8	186.8	(1)	0	39
Canada	0	.2	6.5	110.0	(1)	0	23
France	22.6	22.2	30.2	97.5	331	97	20
Sweden	0	0	0	64.0	(1)	0	13
All others	6	.2	3	18.5	2,983	3	4
Total	23.2	22.4	39.3	476.8	1,955	100	100

¹ Not applicable.

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes the concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for nonmilitary airplanes:

TSUS item	HTS subheading	TSUS item	HTS subheading
694.41	8802.11.00		
	8802.12.00		
	8802.20.00		
	8802.30.00		
	8802.40.00		

Articles for Making and Breaking Electrical Circuits

U.S. imports of articles for making and breaking electrical circuits increased by 60 percent during 1984-87, to \$3 billion. Imports of these articles entered under item TSUS 807.00 rose by 54 percent during the period, to \$589 million. The ratio of item 807.00 imports to total imports and the ratio of U.S.-origin content to total imports under item 807.00 were stable during 1984-87, as shown in table 3-13, averaging 20 percent and 63 percent, respectively. The duty-free content of imports entered under item 807.00 increased by 48 percent to \$355 million during 1984-87. The nominal and effective rates of duty decreased slightly, from 6.5 percent to 5.3 percent and from 2.4 percent to 2.1 percent, respectively. However, because of the increased volume of imports, the total duty savings resulting from imports under item 807.00 rose from \$77 million to \$96 million between 1984 and 1987.

The articles covered here include circuit breakers, electrical switches, connectors, printed circuit boards, industrial controls, and other electrical components, including fuses and

junction boxes. Unfinished parts of these articles are exported primarily to developing countries for labor-intensive assembly operations. Low wage rates in these countries reduce the overall production costs of the completed articles, which are returned to the United States as item 807.00 imports.

Mexico was the largest source in all four years of imported articles for making and breaking electrical circuits entered under item 807.00, in terms of U.S.-origin content, supplying an average of 80 percent of the total during the period (table 3-14). The next three largest suppliers, the Dominican Republic, Canada, and Haiti, accounted for a combined share of 13 percent. The largest suppliers of total U.S. imports of these articles, on the other hand, were Japan, Mexico, West Germany, and Taiwan.

Imports of articles for making and breaking electrical circuits are eligible for duty-free treatment under the GSP. Imports under the GSP totaled \$294 million in 1987. Mexico, Hong Kong, and Taiwan were ineligible for GSP benefits during the period, having exceeded the competitive-need limitations.

Contact Chip Hayes at 252-1391

Table 3-13

Articles for making and breaking electrical circuits: U.S. imports for consumption, total and under TSUS Item 807.00, by principal sources, 1984-87

Year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
						Nomi- nal	Effec- tive	
	Million dollars	Million dollars	Percent	Million dollars	Percent	Percent		Million dollars
1984	1,871	382	20	240	63	6.5	2.4	77
1985	1,949	391	20	254	66	6.1	2.1	78
1986	2,334	458	20	291	64	5.7	2.1	84
1987	2,992	569	20	355	60	5.3	2.1	96
Percentage change								
Change, 1987 from 1984	60	54	(3)	48	(4)	(19)	(13)	25
Average annual change, 1987 from 1984	17	16	(1)	14	(1)	(7)	(4)	8

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 3-14

Articles for making and breaking electrical circuits: Duty-free U.S. imports for consumption under TSUS Item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Percent of total duty-free value	
						1984	1987
Million Dollars					Percent	Percent	
Mexico	188	206	238	286	52	79	81
Dominican Republic	9	10	7	17	83	4	5
Canada	6	7	8	14	129	3	4
Haiti	24	17	18	13	(48)	10	4
Taiwan	2	4	5	9	463	1	3
All others	10	11	15	17	63	4	5
Total	240	254	291	355	48	100	100

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes the concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings articles for making and breaking electrical circuits:

TSUS item	HTS subheading	TSUS item	HTS subheading
685.90	8535.21.00-		
	8538.90.00		

Internal Combustion, Piston-Type Engines, and Parts

U.S. imports of items covered by this commodity grouping increased by 27 percent to \$5.2 billion during 1984-87. The rise in imports was primarily attributed to increased sales of new automobiles in the United States. Imports entered under TSUS item 807.00 tripled during 1984-87, rising to \$2.4 billion in 1987 (table 3-15). These imports more than doubled in 1987 over those in 1986 as firms that had been importing motor-vehicle engines free of duty under the APTA chose also to declare eligibility under item 807.00 to avoid the Customs User Fee. Consequently, the value of U.S.-made components contained in imports of these articles under item 807.00 increased by 56 percent during 1984-87, from \$208 million to \$324 million.

The nominal trade-weighted average rate of duty for the commodities in this group declined from 3.4 percent in 1984 to 1.6 percent in 1987. The effective rate of duty declined from 2.5 percent in 1984 to 1.4 percent in 1987. Furthermore, the portion of total imports accounted for by item 807.00 imports doubled in 1987 alone over those in 1986, from 23 percent to 46 percent. On the other hand, the share of item 807.00 imports accounted for by U.S.-made components dropped from 26 percent to 14 percent.

Consequently, the total duty savings through the use of the item 807.00 provision decreased from \$7 million in 1984 to \$5 million in 1987.

Canada was the leading supplier of imports of piston-type internal combustion engines entered under item 807.00 in 1987, accounting for \$1.1 billion, or 46 percent of the total (table 3-16). However, U.S.-made components accounted for only 3 percent of the imports, from Canada. Mexico was the largest supplier of item 807.00 imports in terms of duty-free content, accounting for \$220 million, or 68 percent, of the total in 1987. Canada and West Germany followed with shares of 11 percent each.

The production of piston-type internal combustion engines and parts in Mexico and Canada is largely controlled by U.S.-owned auto manufacturers. The majority of these engines are destined for new car production in U.S.-made automobiles. These auto manufacturers use item 807.00 to rationalize production.

Commodities in this group are eligible for duty-free treatment under the APTA, GSP, CBERA, and the U.S.-Israel Free Trade Agreement. Imports under the APTA increased from \$1.2 billion to \$1.5 billion during the period. This trend follows the growth in auto and truck sales. Imports under the GSP remained constant at approximately \$200 million per year during the period. Imports under other trade preference provisions were minimal.

Contact Peder Andersen at 252-1386

Table 3-15

Internal combustion, piston-type engines, and parts: U.S. imports for consumption, total and under TSUS item 807.00, 1984-87

Year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nomi- nal	Effec- tive	Million dollars
1984	4,081	793	19	208	26	3.4	2.5	7.1
1985	4,375	948	22	253	27	3.3	2.4	8.5
1986	4,560	1,050	23	234	22	3.2	2.5	7.3
1987	5,194	2,383	46	324	14	1.6	1.4	4.8
Percentage change								
Change, 1987 from 1984	27	201	137	56	(48)	(53)	(44)	(32)
Average annual change, 1987 from 1984	8	44	33	16	(20)	(22)	(18)	(12)

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 3-16

Internal combustion, piston-type engines, and parts: Duty-free U.S. imports for consumption under TSUS item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Percent of total duty-free value	
						1984	1987
	Million Dollars				Percent	Percent	
Mexico	170	205	182	220	30	82	68
Canada	5	5	13	36	668	2	11
West Germany	10	12	18	34	246	5	11
Brazil	16	18	9	22	29	8	6
All others	7	12	14	13	77	4	4
Total	208	252	234	324	56	100	100

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes the concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for internal combustion, piston-type engines, and parts:

TSUS item	HTS subheading	TSUS item	HTS subheading
660.40	8407.32.10	660.58	8407.10.00
	8407.33.10		
	8407.34.10		660.64
	8407.90.10		8409.10.00
	8408.20.10		8409.91.10
660.42	8408.90.10	660.67	8411.91.10
			8409.91.91
	8408.10.00		8421.23.00
	8408.20.20		8421.31.00
660.43	8408.20.90	660.68	8483.10.10
	8408.90.90		
			8409.91.91
	8408.20.20		8483.10.10
	8408.90.90		
660.48		660.69	8409.10.00
	8407.32.20		8483.10.10
	8407.33.20		
	8407.34.20		
660.49		660.71	8409.99.91
	8407.32.20		8410.11.00
	8407.33.20		8410.12.00
	8407.34.20		8410.13.00
			8410.90.00
660.56			8411.91.91
	8407.10.00		8411.99.90
	8407.21.00		8412.29.40
	8407.29.00		8412.90.10
	8407.31.00		8421.23.00
	8407.32.90		8421.31.00
	8407.33.90		8483.10.30
	8407.34.90		
660.57	8407.90.90		
	8407.34.90		

Motors and Generators (Electric); and Miscellaneous Equipment Related to Motors, Generators, and Transformers

U.S. imports of electric motors, generators, and related equipment increased by 51 percent during 1984-87, from \$1.9 billion to \$2.8 billion. Imports of these articles under TSUS item 807.00 rose by 29 percent, from \$432 million to \$557 million. The ratio of item 807.00 imports to total imports of these products averaged 20 percent annually during the period, as shown in table 3-17.

During 1984-87, the duty-free content of item 807.00 imports increased from \$193 million to \$272 million, or by 41 percent. The ratio of duty-free imports to total imports under item 807.00 averaged 49 percent annually. The estimated duty savings resulting from 807.00 operations involving these products increased by only 2 percent to \$10 million in 1987. This small increase in duty savings was caused largely by a 28-percent decline in the nominal duty rate on these products to 3.6 percent ad valorem in 1987 and a 36-percent reduction in the effective duty rate to 1.8 percent ad valorem.

Mexico was by far the leading foreign source of item 807.00 imports during 1984-87, as indicated in table 3-18. Mexico accounted for 80 percent of total item 807.00 imports in 1987, and 93 percent of the U.S.-origin content. During the period, the share of duty-free and total item 807.00 imports accounted for by Hong Kong and Canada, the second and third leading

sources, both declined, each accounting for only 2 percent of the U.S. content of item 807.00 imports. Japan was the leading supplier of total imports of motors, generators, and related equipment throughout the period, accounting for 23 percent of U.S. imports in 1987.

Item 807.00 is used by U.S. producers of these electrical products in their efforts to rationalize the labor-intensive portion of their production operations in countries with low wage rates. Mexico is a particularly desirable low-cost location because of the availability of semiskilled workers, its proximity to the large markets of the western and southern United States, and rail access to the north-central industrial belt. Canada is a significant supplier because major electrical producers in Canada are also subsidiaries of U.S. electrical firms.

During 1984-87, motors and generators and related equipment were eligible articles under the GSP with the exception of those articles entered under TSUS items 682.06, 682.08, 682.42, 682.46, and 682.65, which were certified for use in civil aircraft and imported duty free. Mexico, Hong Kong, and Taiwan, having exceeded GSP competitive-need restrictions, were the only beneficiary developing countries not eligible for duty-free entry under the GSP for certain of these articles during 1987. U.S. imports under the GSP have been modest in recent years, accounting for only 11 percent of total imports in 1987, principally because of the above-noted restrictions on duty-free status for these articles.

Contact John T. Cutchin, Jr. at 252-1396

Table 3-17

Motors and generators (electric); and miscellaneous equipment related to motors, generators, and transformers: U.S. imports for consumption, total and under TSUS Item 807.00, 1984-87

Year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
						Nomi- nal	Effec- tive	
	Million dollars	Million dollars	Percent	Million dollars	Percent	— Percent —		Million dollars
1984	1,883	432	23	193	45	5.0	2.8	9.6
1985	2,196	364	17	186	51	4.5	2.2	8.4
1986	2,384	449	19	220	49	4.1	2.1	9.0
1987	2,842	557	20	272	49	3.6	1.8	9.8
Percentage change								
Change, 1987 from 1984	51	29	(14)	41	9	(28)	(36)	2
Average annual change, 1987 from 1984	15	9	(5)	12	3	(10)	(14)	1

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 3-18

Motors and generators (electric); and miscellaneous equipment related to motors, generators, and transformers: Duty-free U.S. Imports for consumption under TSUS item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Percent of total duty-free value	
						1984	1987
	Million Dollars				Percent	Percent	
Mexico	163	167	200	254	56	85	93
Hong Kong	10	4	4	5	(50)	5	2
Canada	6	5	5	5	(27)	3	2
Haiti	6	6	3	2	(67)	3	1
All others	8	5	8	7	(17)	2	1
Total	193	186	220	272	41	100	100

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes the concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for motors and generators (electric); and miscellaneous equipment related to motors, generators, and transformers:

TSUS item	HTS subheading	TSUS item	HTS subheading
682.05	8504.31.40	682.25	8501.10.40
682.07	8504.21.20	682.30	8501.10.60
	8504.31.20		8501.20.20
	8504.31.60-		8501.31.20
	8504.34.00		8501.40.20
			8501.51.20
682.20	8501.10.20		

Motor and generators (electric); and miscellaneous equipment related to motors, generators, and transformers—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
682.35	8501.20.40	682.52	8503.00.20
	8501.31.40		
	8501.40.40	682.55	8503.00.40
	8501.51.40		
		682.60	8501.32.60
682.37	8501.51.60		8501.33.60
	8501.52.40		8501.61.00
			8501.64.00
682.38	8501.31.60		8502.11.00-
	8501.32.20		8502.40.00
	8501.40.60		8503.00.60
			8504.10.00
682.50	8501.33.40		8504.40.00
	8501.34.30		8504.90.00
	8501.53.80		

Rail Locomotives and Rolling Stock

The articles covered here are rail locomotives, self-propelled railcars used for urban and intercity transit, non-self-propelled railcars for either passengers or freight, railroad service vehicles, and parts for locomotives and non-self-propelled rolling stock. The value of U.S. imports rose by 70 percent during 1984-87, increasing to \$575 million. Imports of these articles under item 807.00 fluctuated during the period, increasing to \$458 million in 1987, as shown in table 3-19. The ratio of imports under item 807.00 to total imports averaged 73 percent annually. The majority of total imports of self-propelled rail vehicles enter the United States under item 807.00 because provisions of the Surface Transportation Act of 1978 stipulate that cars purchased with Federal grants should consist of at least 50 percent U.S.-made materials.

The ratio of the value of duty-free content to total value of item 807.00 imports during the period averaged 38 percent annually. The value of such imports increased from \$111 million in 1984 to \$173 million in 1987. The nominal and effective rates of duty fell from 6.9 percent and 4.1 percent to 4.2 percent and 2.6 percent, respectively, during the period. Total duty savings averaged \$6 million annually during 1984-87.

Canada and Japan were the major sources of both item 807.00 imports and total imports during 1984-87, accounting for 34 percent and 32 percent, respectively, of total item 807.00 imports during the period. Japan was the dominant

source in 1984-85, but was replaced by Canada as the leading supplier of item 807.00 imports in 1986-87, except in the parts category.

To a large extent, the trends in import volumes and shares held by competing suppliers reflect the timing of purchases of new railcars by major mass transit systems, the suppliers they contract with, and the terms for the delivery schedules in the contracts. As indicated in table 3-20, Canada, Japan, and Italy are major competitors in the international markets for subway and other mass transit railcars. Table 3-20 also shows the recent success of the principal Canadian exporter in the U.S. market as Canada's share of item 807 imports, in terms of U.S. content, shot from 5 percent to 42 percent during 1984-87, and Japan's share dropped from 69 percent to 32 percent. The principal Canadian firm initiates production in Quebec and completes the assembly of the railcars a relatively short distance away in Vermont. Although Japan's share of total item 807.00 imports has declined, the value of the duty-free content of item 807.00 imports from Japan increased from \$12 million to \$55 million in 1986-87. These imports from Japan were almost exclusively parts for locomotives and rolling stock.

Except for certain axles, axle bars, and wheels, imports of rail locomotives, and rolling stock are eligible for duty-free treatment under the GSP. However, as a share of total U.S. consumption, GSP imports were insignificant during 1984-87, totaling less than 0.5 percent.

Contact Kathleen Lahey at 252-1409

Table 3-19

Rail locomotives and rolling stock: U.S. imports for consumption, total and under TSUS item 807.00, 1984-87

Year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nomi- nal	Effec- tive	Million dollars
1984	338	271	80	112	41	6.9	4.1	7.7
1985	298	175	59	64	36	5.6	3.6	3.6
1986	462	332	72	125	38	4.4	2.7	5.5
1987	575	458	80	173	38	4.2	2.6	7.3
Percentage change								
Change, 1987 from 1984	70	70	(1)	56	(9)	(39)	(37)	3
Average annual change, 1987 from 1984	19	19	(1)	16	(3)	(15)	(14)	1

¹ Less than (0.5) percent.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 3-20

Rail locomotives and rolling stock: Duty-free U.S. Imports for consumption under TSUS Item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Percent of total duty-free value	
						1984	1987
	Million Dollars				Percent	Percent	
Canada	6	22	75	73	1,196	5	42
Japan	69	13	12	55	(20)	63	32
Italy	35	28	19	22	(36)	32	13
France	0	1	19	19	(1)	0	11
All others	1	(2)	(2)	4	300	1	2
Total	112	64	125	173	55	100	100

¹ Not applicable.

² Less than \$500,000

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes the concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for rail locomotives and rolling stock:

TSUS item	HTS subheading	TSUS item	HTS subheading
690.05	8601.10.00	690.25	8607.19.10
	8601.20.00		
	8602.10.00	690.35	8607.12.00
	8602.90.00		8607.19.30
			8607.21.10
690.10	8603.10.00		8607.29.10
	8603.90.00		8607.30.10
			8607.99.10
690.15	8605.00.00		
	8606.10.00	690.40	8607.11.90
	8606.20.00		8607.19.90
	8606.30.00		8607.21.50
	8606.91.00		8607.29.50
	8606.92.00		8607.30.50
	8606.99.00		8607.91.00
			8607.99.50
690.20	8604.00.00		

Internal Combustion, Nonpiston-Type Engines, and Parts

U.S. imports of nonpiston internal combustion engines and parts increased by 72 percent during 1984-87, from \$1.7 billion to \$2.9 billion. U.S. imports of these articles under TSUS item 807.00 jumped from \$16 million in 1984 to \$732 million in 1987 (table 3-21). A significant portion of these engines are designed for aircraft and enter free of duty under the Civil Aircraft Agreement. Until imposition of the Customs User Fee in December 1986, there was no incentive to use item 807.00; in 1985, less than 1 percent of total imports entered under item 807.00. In 1987, however, one-quarter of these engines were entered under item 807.00 to avoid the new fee. The duty-free content of imports under item 807.00 rose from \$6 million to \$155 million during the period, and the trend in the ratio of duty-free content to total imports under item 807.00 was erratic, averaging 37 percent annually.

The nominal and effective rates of duty decreased from 4.4 percent and 3.3 percent, to

3.8 percent and 3.0 percent, respectively, during the period. Total duty savings increased dramatically from \$277,000 to \$5.9 million as a result of the large increase in item 807.00 trade in 1987.

France was the largest supplier of total and duty-free imports of nonpiston-type internal combustion engines entered under item 807.00 in 1987, accounting for \$341 million and \$106 million, respectively, with the latter accounting for 68 percent of the total U.S. content of item 807.00 imports in 1987 (table 3-22). Canada was the only other significant source in terms of duty-free content, accounting for 15 percent.

Commodities in this group are eligible for duty-free treatment under the GSP, CBERA, and the U.S.-Israel Free Trade Area Implementation Act of 1985. Imports under these trade preferences, however, were minimal. Imports of these commodities under the Civil Aircraft Agreement accounted for approximately 90 percent of all duty-free imports in each year during the period, reaching \$1.6 billion in 1987.

Contact Peder Andersen at 252-1388

Table 3-21

Internal combustion, nonpiston-type engines, and parts: U.S. imports for consumption, total and under TSUS item 807.00, 1984-87

Year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nomi- nal	Effec- tive	Million dollars
1984	1,686	16	1	6	40	4.4	3.3	0.3
1985	2,431	13	1	7	49	4.5	2.7	0.3
1986	2,949	27	1	10	37	4.6	2.8	0.5
1987	2,897	732	25	155	21	3.8	3.0	5.9
<hr/>								
Percentage change								
Change, 1987 from 1984	72	4,575	2,400	2,483	(48)	(14)	(9)	1,867
Average annual change, 1987 from 1984	20	258	192	195	(19)	(5)	(3)	44

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 3-22

Internal combustion, nonpiston-type engines, and parts: Duty-free U.S. imports for consumption under TSUS item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Percent of total duty-free value	
	Million Dollars				Percent	1984	1987
France	0	0	0	106.2	(1)	(1)	681
Canada	4.0	5.5	2.5	23.3	483	63	15
Mexico	0	0	3.7	13.2	(1)	(1)	9
United Kingdom	1.9	.3	.1	5.7	200	30	4
All others .....	.4	.8	3.9	6.8	1,600	7	4
Total	6.3	6.6	10.2	155.2	2,363	100	100

¹ Not applicable.

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes the concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for internal combustion, nonpiston-type engines, and parts:

TSUS item	HTS subheading	TSUS item	HTS subheading
660.59	8411.11.40	660.62-Con.	8411.21.80
	8411.12.40		8411.22.80
	8411.21.40		8411.81.40
	8411.22.40		8411.82.40
	8411.81.40		8412.21.00
	8411.82.40		8412.29.80
	8412.21.00		8412.31.00
	8412.29.80		8412.39.00
	8412.31.00		8412.80.90
	8412.39.00		
	8412.80.90	660.64	8409.10.00
			8409.91.91
660.61	8411.11.40		8409.99.10
	8411.12.40		8411.91.10
	8411.21.40		8411.99.10
	8411.22.40		
	8411.81.40	660.7160	8411.91.90
	8411.82.40		
	8412.21.00	660.7165	8411.99.90
	8412.29.80		
	8412.31.00	660.7170	8411.99.90
	8412.39.00		
	8412.80.90	660.73	8409.10.00
			8411.91.90
660.62	8411.11.80		8411.99.90
	8411.12.80		

Electrical Capacitors

U.S. imports of electrical capacitors dipped from \$430 million in 1984 to \$336 million in 1985, then rebounded to \$477 million in 1987, for an overall increase of 11 percent during 1984-87 (table 3-23). Similarly, imports of these components entering under TSUS item 807.00 fell from \$162 million to \$117 million, then recovered to \$184 million for an overall rise of 14 percent during the period. The share of total U.S. imports accounted for by item 807.00 imports averaged 38 percent annually.

The duty-free content of imports entered under item 807.00 grew by 38 percent during 1984-87, from \$92 million to \$127 million as the ratio of U.S.-origin content to the total value of item 807.00 imports expanded from 57 percent to 69 percent. The nominal rate of duty applied to imports of electrical capacitors remained at 10 percent ad valorem during the period, and the effective rate declined from 4.3 percent to 3.1

percent. Total duty savings averaged \$14.4 million annually.

Mexico was the dominant supplier of electrical capacitors under item 807.00 during the period, accounting for 83 percent of the U.S.-origin content of total item 807.00 imports in 1987 (table 3-24). El Salvador was the second leading supplier in 1987 with a 9 percent share, down from 19 percent in 1984. U.S. firms operate assembly plants in Mexico and other low-labor-cost countries to perform lead attachment, encapsulation, and other labor-intensive operations. U.S.-made components accounted for 68 percent of the value of item 807.00 imports from Mexico in 1987.

Electrical capacitors are eligible for duty-free entry under the CBERA and receive preferential treatment under the U.S.-Israel Free Trade Implementation Act of 1985. Imports under these provisions reached \$15 million in 1987, representing 3 percent of total U.S. electrical capacitor imports.

Contact Thomas A. Sherman at 252-1389

Table 3-23

Electrical capacitors: U.S. imports for consumption, total and under TSUS item 807.00, 1984-87

Year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nominal	Effective	Million dollars
1984	430	162	38	92	57	10.0	4.3	16.2
1985	336	117	35	73	62	10.0	3.8	11.6
1986	385	153	40	101	66	10.0	3.4	14.1
1987	477	184	39	127	69	10.0	3.1	15.7
Percentage change								
Change, 1987 from 1984	11	14	2	39	22	0	(28)	(3)
Average annual change, 1987 from 1984	4	4	1	11	7	0	(10)	(1)

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 3-24

Electrical capacitors: Duty-free U.S. imports for consumption under TSUS item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Percent of total duty-free value	
						1984	1987
		Million Dollars			Percent		Percent
Mexico	65	55	80	106	62	71	83
El Salvador	18	11	11	11	(39)	19	9
Dominican Republic	4	2	3	7	67	4	5
Hong Kong	(¹)	2	3	1	550	(²)	1
West Germany	1	(¹)	1	1	(21)	2	1
Taiwan	2	1	1	1	(60)	2	1
All others	2	1	3	1	(58)	2	1
Total	92	73	101	127	39	100	100

¹ Less than \$500,000.

² Less than 0.5 percent.

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes the concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for electrical capacitors:

TSUS item	HTS subheading	TSUS item	HTS subheading
685.80	8532.1000	685.81	8532.10.00
	8532.3000		8532.30.00

Note.—TSUS 685.81 covers Canadian electrical capacitors imported into the United States as automotive equipment only.

Tape Recorders, Tape Players, and Dictation Machines

U.S. imports of tape recorders, tape players, and dictation machines rose from \$5.3 billion in 1984 to \$8.1 billion in 1986, but then fell to \$6.7 billion in 1987, for an overall increase of 28 percent (table 3-25). Imports entered under TSUS item 807.00, on the other hand, rose by 165 percent during 1984-87, from \$231 million to \$613 million. The share of total imports entered under item 807.00 more than doubled during the period, increasing from 4 percent to 9 percent. The duty-free content of item 807.00 imports increased by 68 percent, from \$71 million to \$120 million. The nominal rate of duty on imports of articles entered under item 807.00 decreased from 4.2 percent to 3.5 percent, and the effective rate of duty remained largely

unchanged, decreasing from 2.9 percent to 2.8 percent. Reflecting the rising volume of imports under item 807.00, total duty savings increased from \$13 million in 1984 to \$32 million in 1987.

Tape players for automobiles and video cassette recorders and players made up the largest share of products imported under item 807.00 within this commodity group. Imports of these articles under item 807.00, principally from Mexico, accounted for more than 90 percent of total imports under this provision in 1987. Mexico also supplied 64 percent of total imports under item 807.00 and 92 percent of the U.S.-origin content of item 807.00 imports in 1987 (table 3-26). U.S. companies have established assembly operations in Mexico to take advantage of lower labor costs and flexibility in production.

Contact Thomas Sherman at 252-1389.

Table 3-25

Tape recorders, tape players, and dictation machines: U.S. imports for consumption, total and under TSUS item 807.00, 1984-87

Year	Total Imports	807.00 Imports	Ratio of 807.00 Imports to total imports	Duty-free value of 807.00 Imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nomi- nal	Effec- tive	Million dollars
1984	5,283	231	4	71	31	4.2	2.9	12.7
1985	7,595	430	6	134	31	4.0	2.7	24.8
1986	8,067	379	5	117	31	3.9	2.7	24.2
1987	6,744	613	9	120	20	3.5	2.8	32.4
<hr/>								
	Percentage change							
Change, 1987 from 1984	28	166	105	68	(37)	(17)	(3)	155
Average annual change, 1987 from 1984	9	39	27	19	(14)	(6)	(1)	37

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 3-26

Tape recorders, tape players and dictation machines: Duty-free U.S. imports for consumption under TSUS item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Percent of total duty-free value	
						1984	1987
	Million Dollars				Percent	Percent	
Mexico	52.9	119.8	101.4	110.2	108	74	92
Brazil	2.8	.3	3.0	4.9	75	4	4
Canada	13.1	9.6	10.9	2.0	(85)	18	2
Japan	1.0	.8	.3	1.4	40	1	1
Taiwan .....	.8	2.3	.9	.4	(50)	1	(1)
All other .....	.7	.9	.5	1.1	57	1	1
Total	71.3	133.7	117.0	120.0	68	100	100

¹ Less than 0.5 percent.

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes the concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for tape recorders, tape players, and dictation machines:

TSUS item	HTS subheading	TSUS item	HTS subheading
678.50	7527.31.40	685.39	8522.90.40-
	8519.91.00-		8522.90.90
	8520.90.00		8525.20.00
678.51	8519.91.00	685.40	8519.40.00
			8520.31.00-
685.08	8521.10.00-		8521.90.00
	8521.90.00		8525.10.20
			8528.10.40-
			8529.90.35

Television Apparatus and Parts Other Than Cameras or Receivers

U.S. imports of television apparatus other than cameras and receivers (television apparatus) rose marginally during 1984-87, increasing by 8 percent to \$2.1 billion (table 3-27). During the period, imports under TSUS item 807.00 decreased sharply, falling by 41 percent to \$533 million. Much of this decrease was accounted for by reduced shipments from Mexico and Taiwan where U.S. assembly plants are located. During the period, imports under item 807.00 from Mexico declined by 40 percent to \$398 million and those from Taiwan by 25 percent to \$105 million (table 3-28). Together, these two countries accounted for 90 percent of total imports under item 807.00 in 1984 and 94 percent in 1987. A loss of market share by U.S. firms and technological changes reportedly caused the decrease in shipments from Mexico.

The duty-free content of U.S. imports under item 807.00 declined irregularly during 1984-87, decreasing from \$231 million to \$119 million. Mexico accounted for 86 percent of U.S.-origin content in 1984 and 89 percent in 1987. U.S.-made components accounted for only 27 percent of the total value of imports of television apparatus from Mexico under item 807.00 in 1987. However, for all other sources of item 807.00 imports, the U.S. content made up only 10 percent of the total value.

The trade-weighted nominal rate of duty on television apparatus entered under item 807.00 declined from 4.2 percent in 1984 to 3.7 percent in 1987. The effective duty rate followed a similar decline, decreasing from 3.1 percent to 2.9 percent. The total duty savings declined during the period from \$10 million in 1984 to \$4 million in 1987.

Contact Nelson Hogge at 252-1395

Table 3-27

Television apparatus and parts other than cameras or receivers: U.S. imports for consumption, total and under TSUS Item 807.00, 1984-87

Year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nomi- nal	Effec- tive	Million dollars
1984	2,104	896	43	231	26	4.2	3.1	10
1985	1,274	383	30	89	23	4.0	3.1	4
1986	1,331	479	36	119	25	3.9	2.9	5
1987	1,849	533	29	119	22	3.7	2.9	4
Percentage change								
Change, 1987 from 1984	(12)	(41)	(32)	(48)	(12)	(12)	(7)	(55)
Average annual change, 1987 from 1984	(4)	(14)	(11)	(16)	(4)	(4)	(2)	(18)

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 3-28

Television apparatus and parts other than cameras or receivers: Duty-free U.S. Imports for consumption under TSUS item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Percent of total duty-free value	
						1984	1987
	Million Dollars				Percent	Percent	
Mexico	198	74	112	106	(46)	86	89
Taiwan	13	4	1	6	(55)	6	5
Malaysia	14	9	2	5	(67)	6	4
All others	6	2	4	2	(59)	2	2
Total	230	89	119	119	(48)	100	100

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes the concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for television apparatus and parts other than cameras or receivers:

TSUS item	HTS subheading	TSUS item	HTS subheading
685.06	8525.20.05	685.16	8525.20.60
685.08	8525.20.15	685.18	8525.30.00
685.13	8525.20.20	685.19	8529.10.60
685.14	8525.20.30	685.20	8529.90.50
685.15	8525.20.50	685.22	8802.50.30
			8803.90.30

Radio Receivers and Transceivers and Parts

U.S. imports of radio receivers and transceivers and parts increased by 25 percent during 1984-87, from \$2.2 billion to \$2.7 billion (table 3-29). Imports of these articles under TSUS item 807.00 decreased by 22 percent during the period, from \$446 million to \$348 million. Similarly, the duty-free content of imports under item 807.00 decreased 19 percent to \$110 million. The share of total imports accounted for by imports under item 807.00 fell from 20 percent to 13 percent during 1984-87, and the U.S.-made component consistently composed slightly less than one-third of the total value of item 807.00 imports.

The trade-weighted nominal rate of duty on radio receivers and transceivers declined modestly during 1984-87, decreasing from 7.5 percent ad valorem to 6.7 percent. The effective duty rate showed a similar reduction, decreasing from 5.2 percent to 4.6 percent. The total duty savings contracted each year during the period, decreasing from \$10 million in 1984 to \$7 million in 1987.

Mexico was the principal source of imports under item 807.00, in terms of duty-free content, followed by Canada, Singapore, and Malaysia. In 1987, Mexico accounted for 40 percent of total imports of these goods under item 807.00 and 56 percent of the value of the U.S.-origin components (table 3-30). U.S. firms have established plants in Mexico and other low-wage-rate countries to reduce labor costs associated with certain assembly operations. The principal suppliers of total U.S. imports of radio receivers and transceivers and parts are Japan, Taiwan, Korea, Hong Kong, Singapore, and Mexico. Imports from these sources accounted for 79 percent of total imports in 1987. U.S.-made components constituted 45 percent of the value of imports from Mexico under item 807.00, compared with 18 percent for such imports from Singapore.

These commodities are eligible for duty-free treatment under the GSP. Imports under the GSP averaged 16 percent of total imports each year during the period, amounting to \$477 million in 1987.

Contact John Kitzmiller at 252-1389

Table 3-29

Radio receivers and transceivers and parts: U.S. imports for consumption, total and under TSUS Item 807.00, 1984-87

Year	Total Imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
						Nomi- nal	Effec- tive	
	Million dollars	Million dollars	Percent	Million dollars	Percent	— Percent —		Million dollars
1984	2,184	446	20	136	30	7.5	5.2	10
1985	2,184	512	24	160	31	7.3	5.0	12
1986	2,309	449	19	143	32	7.0	4.8	10
1987	2,734	348	13	110	32	6.7	4.6	7
Percentage change								
Change, 1987 from 1984	25	(22)	(38)	(19)	4	(11)	(12)	(28)
Average annual change, 1987 from 1984	8	(7)	(13)	(6)	1	(4)	(4)	(9)

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 3-30

Radio receivers and transceivers and parts: Duty-free U.S. imports for consumption under TSUS item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Percent of total duty-free value	
						1984	1987
	Million Dollars				Percent	Percent	
Mexico	75	92	74	62	(18)	56	56
Canada	23	15	18	14	(41)	17	13
Singapore	16	26	24	13	(18)	12	12
Malaysia	12	18	19	13	10	9	12
Brazil	4	2	1	6	50	3	5
All others	6	7	6	3	(42)	4	3
Total	136	160	143	110	(19)	100	100

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes the concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for radio receivers and transceivers and parts:

TSUS item	HTS subheading	TSUS item	HTS subheading
684.80	8527.11.20	685.22	8527.31.40
685.10	8527.11.40	685.25	8527.31.50
685.12	8527.11.60	685.27	8527.31.60
685.14	8527.19.00	685.28	8527.32.00
685.16	8527.21.10	685.29	8527.39.00
685.18	8527.21.40	685.30	8527.90.40
685.20	8527.29.00	685.32	8529.10.60
			8529.90.50

Television Receivers

U.S. imports of television receivers, principally color television receivers, rose irregularly from \$1.4 billion in 1984 to \$2.3 billion in 1987, representing an increase of 61 percent (table 3-31). During the period, imports of these articles under TSUS item 807.00 climbed from \$151 million to \$549 million. The duty-free value of imports under item 807.00 also rose during the period, from \$12 million to \$109 million. The share of total imports accounted for by imports under item 807.00 more than doubled during 1984-87, from 10 percent to 24 percent. Similarly, the share of item 807.00 imports accounted for by the value of the U.S.-made components also more than doubled, from 8 percent to 20 percent.

The trade-weighted nominal rate of duty on television receivers remained unchanged at 4.9 percent during the period, whereas the effective rate declined from 4.5 percent in 1984 to 3.9 percent in 1987. The total duty savings rose each

year during the period, increasing from \$600,000 in 1984 to \$5 million in 1987, reflecting both the rising volume of item 807.00 imports and the increased use of U.S.-made components.

Mexico was the principal source of these imports under item 807.00 followed by Canada and Japan. In 1987, Mexico accounted for 90 percent of imports under item 807.00 and 95 percent of the duty-free value (table 3-32). U.S. firms have established plants in Mexico to perform labor-intensive assembly operations such as printed circuit board assembly and yoke windings. Representatives of U.S. television manufacturers insist that the use of assembly facilities in Mexico is essential for their companies to compete with foreign producers in the U.S. market. The principal suppliers of total U.S. imports by television receivers are Japan, Mexico, Taiwan, Korea, Singapore, and Malaysia. In 1987, U.S. imports from these countries accounted for 95 percent of the annual total.

Contact Nelson Hogge at 252-1395

Table 3-31

Television receivers: U.S. Imports for consumption, total and under TSUS Item 807.00, 1984-87

Year	Total Imports	807.00 Imports	Ratio of 807.00 Imports to total Imports	Duty-free value of 807.00 Imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nomi- nal	Effec- tive	Million dollars
1984	1,445	151	10	12	8	4.9	4.5	1
1985	2,008	278	14	30	11	4.9	4.4	2
1986	2,443	449	18	86	19	4.9	4.0	4
1987	2,333	549	24	109	20	4.9	3.9	5
<hr/>								
Percentage change								
Change, 1987 from 1984	61	264	126	789	146	0	(13)	800
Average annual change, 1987 from 1984	21	88	42	263	49	0	(4)	267

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 3-32

Television receivers: Duty-free U.S. Imports for consumption under TSUS Item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Percent of total duty-free value	
						1984	1987
		Million Dollars			Percent	Percent	
Mexico	1	21	77	104	645	11	95
Canada	7	3	2	2	(67)	60	2
Korea	0	0	2	1	(1)	(1)	1
All others	4	5	6	1	(69)	29	1
Total	12	30	86	109	789	100	100

¹ Not applicable.

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes the concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for television receivers:

TSUS item	HTS subheading	TSUS item	HTS subheading
684.92	8528.10.40	684.98	8529.90.10
684.94	8528.10.80	685.04	8529.90.15
684.96	8528.20.00		

Electrical Conductors

U.S. imports of electrical conductors increased by 82 percent during 1984-87, from \$1 billion to \$1.9 billion, as shown in table 3-33. Concurrently, imports of these articles under TSUS item 807.00 rose by 89 percent to \$972 million in 1987. The ratio of item 807.00 imports to total imports was stable during the period, averaging 51 percent annually. The duty-free content of item 807.00 imports of electrical conductors increased 84 percent during 1984-87, from \$327 million to \$603 million. The ratio of duty-free content to total value of item 807.00 imports was also stable during the period, averaging 62 percent annually.

The nominal duty rate on these products declined slightly during 1984-87, from 5.3 percent to 5.1 percent ad valorem, and the effective rate of duty on electrical conductors stayed at approximately 2 percent ad valorem. However, the significant increase in articles entered under 807.00 during 1984-87 resulted in a 78-percent rise in the total duty savings, from \$17 million in 1984 to almost \$31 million in 1987.

During 1984-87, total U.S. imports of electrical conductors from Mexico rose 94 percent, from \$457 million to \$885 million. The share of total U.S. imports accounted for by Mexico, the leading foreign supplier, increased from 44 to 46 percent during the period. Mexico also accounted for 84 percent of the total value of item 807.00 imports and 92 percent of the U.S.-origin content of imports under the provision, as shown in table 3-34.

A significant portion of the item 807.00 entries from Mexico during this period consist of ignition wiring sets for motor vehicles. These products are principally electrical wiring harnesses, which interconnect the various electrical components (e.g., lights, power windows, wipers, fans, etc.) of motor vehicles, and which require a significant amount of manual

labor to lay out, cut, and terminate (i.e., affix end connectors) insulated wire and then wrap the bundled wires with electrical tape or other protective materials.

Miscellaneous electrical conductors with fittings were another important product grouping that made up a substantial portion of TSUS item 807.00 trade from Mexico. These products consist primarily of power and communication input cords and cables for electrical and electronic apparatus. Typical item 807.00 operations on these products involve the cutting of various gauges of bulk insulated wire to length and the application of assorted connectors to one or both ends of the cable.

Taiwan was the only other significant source of item 807.00 imports during the period, accounting for 8 percent and 3 percent of the total and duty-free value, respectively, of item 807.00 imports in 1987. Such imports were almost entirely made of ignition wiring harnesses for motor vehicles. In 1987, U.S. imports of electrical conductors from Taiwan totaled \$353 million, up by 83 percent over the 1984 total of \$193 million.

During 1984-87, most electrical conductors were eligible for GSP. However, not eligible for GSP were articles entered under TSUS items 688.05, 688.07, 688.13, and 688.19, which were Canadian articles and original motor-vehicle equipment, and TSUS item 688.14, which covers articles certified for use in civil aircraft. These articles were eligible for duty-free entry under the APTA and the Civil Aircraft Agreement. Mexico and Taiwan exceeded the GSP competitive-need limitations and were the only beneficiary developing countries not eligible for GSP duty-free treatment for certain articles in this product grouping during the period. Because of their ineligibility, imports under the GSP accounted for only 10 to 12 percent of the value of total U.S. imports of electrical conductors during 1984-87.

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Electrical conductors: U.S. imports for consumption, total and under TSUS item 807.00, 1984-87

Year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nomi- nal	Effec- tive	Million dollars
1984	1,046	515	49	327	64	5.3	1.9	17
1985	1,342	703	52	421	60	5.1	2.0	22
1986	1,571	830	53	504	61	5.1	2.0	26
1987	1,909	972	51	603	62	5.1	1.9	31
Percentage change								
Change, 1987 from 1984	82	89	3	84	(2)	(4)	0	78
Average annual change, 1987 from 1984	22	24	1	23	(1)	(1)	0	21

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 3-34

Electrical conductors: Duty-free U.S. imports for consumption under TSUS Item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Percent of total duty-free value	
						1984	1987
	Million Dollars				Percent	Percent	
Mexico	301	383	457	558	85	92	93
Taiwan	14	20	22	16	14	4	3
Canada	2	3	6	10	341	1	2
Philippines	2	3	6	10	405	1	2
Haiti	4	8	7	3	(23)	1	1
All others	4	4	5	6	83	1	1
Total	327	421	504	603	84	100	100

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes the concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for electrical conductors:

TSUS item	HTS subheading	TSUS item	HTS subheading
688.04	8544.11.00	688.17	8544.41.00
	8544.20.00		8544.51.40
	8544.49.00		
	8544.59.20	688.18	8544.20.00
	8544.60.40		8544.41.00
688.06			8544.51.80
	8544.19.00	688.20	8544.60.20
	8544.59.40		
688.10			7614.10.10
	8544.60.60	688.25	7614.90.50
688.12			
	9405.30.00		
	8544.30.00		

**Mechanical Shovels, Coal-Cutters,
Excavators, Scrapers, Bulldozers, and
Excavating, Leveling, Boring, and
Extracting Machinery Other Than
Elevators, Winches, Cranes, and
Related Machinery and Parts Thereof**

The articles included here are generally referred to as construction and mining machinery. These products are used for excavating, leveling, drilling, boring, and extracting earth minerals or ores. The value of U.S. imports of the products covered here that entered under item 807.00 grew by 42 percent during 1984-87, to \$282 million (table 3-35). The ratio of imports entered under item 807.00 to total imports averaged 13 percent during the period. A rise in U.S. construction activity triggered a sharp increase in item 807.00 imports in 1987 over those in 1986. However, the U.S.-origin content of imports entered under item 807.00 declined by 8 percent during the period to \$66 million in 1987. The ratio of duty-free content to total value of item 807.00 imports declined steadily from 36 percent in 1984 to 23 percent in 1987.

The nominal rate of duty for this commodity group was 2 percent during 1984-87; the

effective duty rate for the commodity group was 1.5 percent in 1987. Total duty savings for the commodity group declined from \$1.4 million in 1984 to \$1 million in 1987.

Canada was the dominant supplier of the articles imported under item 807.00 during 1984-87, accounting for 58 percent of the total value in 1987 and 86 percent of the duty-free content (table 3-36). Japan contributed 10 percent of the duty-free content in 1987. Canada, Japan, and West Germany were the largest sources of total imports of these articles.

Item 807.00 is used extensively by U.S. manufacturers and their Canadian subsidiaries in their effort to rationalize production of components and subassemblies. This provision also facilitates the implementation of international joint-ventures and licensing arrangements.

Construction and mining machinery are eligible articles for duty-free treatment under the GSP. Total GSP imports decreased to \$50.3 million, or by 23 percent, during 1984-87; Brazil was the leading source of GSP imports during the period.

Contact Lena V. Shapiro at 252-1408

Table 3-35

Mechanical shovels, coal-cutters, excavators, scrapers, bulldozers, and excavating, levelling, boring, and extracting machinery other than elevators, winches, cranes, and related machinery and parts thereof: U.S. Imports for consumption, total and under TSUS Item 807.00, 1984-87

Year	Total Imports	807.00 Imports	Ratio of 807.00 Imports to total Imports	Duty-free value of 807.00 Imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
						Nomi- nal	Effec- tive	
	Million dollars	Million dollars	Percent	Million dollars	Percent	— Percent —		Million dollars
1984	1,308	199	15	71	36	2.0	1.5	1.4
1985	1,804	216	12	72	33	2.0	1.3	1.4
1986	2,060	208	10	59	28	2.0	1.4	1.2
1987	2,251	282	13	66	23	2.0	1.5	1.0
<hr/>								
			Percentage change					
Change, 1987 from 1984	72	42	(18)	(8)	(27)	0	0	(29)
Average annual change, 1987 from 1984	20	12	(6)	(3)	(14)	0	0	(10)

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 3-36

Mechanical shovels, coal-cutters, excavators, scrapers, bulldozers, and excavating, leveling, boring, and extracting machinery other than elevators, winches, cranes, and related machinery and parts thereof: Duty-free U.S. imports for consumption under TSUS item 807.00, by principal sources, 1984-87

					<i>Change in value of duty- free content, 1987 from 1984</i>	<i>Percent of total duty-free value</i>	
<i>Source</i>	<i>1984</i>	<i>1985</i>	<i>1986</i>	<i>1987</i>		<i>1984</i>	<i>1987</i>
	<i>Million Dollars</i>				<i>Percent</i>	<i>Percent</i>	
Canada	65	66	54	57	(13)	91	86
Japan	4	4	4	7	171	5	10
France	1	0	0	1	(1)	1	1
All others	2	1	1	2	17	2	3
Total	71	72	59	66	(8)	100	100

¹ Less than 0.5 percent.

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes the concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for mechanical shovels, coal-cutters, excavators, scrapers, bulldozers, and excavating, leveling, boring, and extracting machinery other than elevators, winches, cranes, and related machinery and parts thereof:

TSUS item	HTS subheading	TSUS item	HTS subheading
664.0720	8429.51.10	664.0830	8429.10.00
			8429.11.00
664.0710	8429.52.10		8429.19.00
	8429.59.10		8429.20.00
			8429.30.30
664.0805	8430.31.00		8429.40.00
	8430.39.00		8429.52.50
			8429.59.50
664.0808	8430.31.00		8430.20.00
	8430.39.00		8430.41.00
	8430.41.00		8430.49.80
	8430.49.80		8430.50.50
			8430.61.00
664.0810	8430.31.00		8430.62.00
	8430.39.00		8430.69.00
	8430.41.00		
	8430.49.80		

Pleasure Boats and Floating Structures

Total imports of pleasure boats and floating structures increased by 57 percent during 1984-87, to \$611 million. Imports under TSUS item 807.00 grew by 87 percent, to \$207 million. The ratio of imports under item 807.00 to total imports expanded from 28 percent to 34 percent during the same period, as shown in table 3-37. The duty-free content of item 807.00 imports more than doubled during the period to \$59 million in 1987, and the ratio of duty-free content to total value of item 807.00 imports climbed from 23 percent to 29 percent. The increase in both total imports of pleasure boats and those entering under item 807.00 during this period can be attributed to a rise in the discretionary income of the primary purchasers of these products (middle-upper and upper-income U.S. citizens) as a result of income tax credits and higher economic growth rates.

The nominal and effective rates of duty fell from 3.3 percent and 2.6 percent, to 2.1 percent and 1.5 percent, respectively, during the period. However, the growing volume of item 807.00

trade resulted in a rise in total duty savings during the period from \$3.7 million to \$4.3 million.

Taiwan was the leading supplier of pleasure boats and floating structures under item 807.00 in 1987, in terms of both total value (\$114 million and 55 percent of the total) and value of the U.S.-made components (\$26 million and 44 percent). Taiwan's share of the duty-free content had grown from 27 percent in 1984 to 44 percent in 1987, and Mexico's share dropped from 54 percent to 25 percent (\$15 million in 1987) (table 3-38). U.S.-made components accounted for 84 percent of the value of total item 807.00 imports from Mexico in 1987, but only 23 percent from Taiwan, and 38 percent from Japan. Japan was the third leading supplier of 807.00 imports, in terms of duty-free content in 1987, at \$10 million.

Pleasure boats and floating structures are eligible for duty-free treatment under the GSP. The leader in the supply of GSP imports during 1984-87 was Singapore; such imports totaled \$16 million in 1987.

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Table 3-37

Pleasure boats and floating structures: U.S. imports for consumption, total and under TSUS item 807.00, 1984-87

Year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nomi- nal	Effec- tive	Million dollars
1984	390	111	28	25	23	3.3	2.6	4
1985	466	124	27	27	22	2.7	2.1	3
1986	511	161	32	36	22	2.2	1.7	4
1987	611	207	34	59	29	2.1	1.5	4
Percentage change								
Change, 1987 from 1984	57	87	19	137	26	(36)	(42)	0
Average annual change, 1987 from 1984	16	23	6	33	8	(14)	(17)	0

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 3-38

Pleasure boats and floating structures: Duty-free U.S. Imports for consumption under TSUS Item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Percent of total duty-free value	
						1984	1987
		Million Dollars			Percent	Percent	
Taiwan	7	10	16	26	271	27	44
Mexico	14	10	10	15	13	54	25
Japan	(¹)	1	(¹)	10	3,180	1	16
Canada	2	3	4	5	113	10	9
All others	2	4	6	3	50	8	5
Total	25	27	36	59	137	100	100

¹ Less than \$500,000

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes the concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for pleasure boats and floating structures:

TSUS item	HTS subheading	TSUS item	HTS subheading
696.05	8903.91.00	696.15—Con.	8906.00.10
	8903.92.00		9506.39.00
	8903.99.90		
	9506.21.40	696.30	4422.19.08
			8903.99.05
696.10	8903.91.00	696.35	8903.10.00
	8903.92.00		
	8903.99.20		
	8903.99.90	696.40	3926.90.30
			8903.99.15
696.15	3926.90.30	696.50	8905.90.10
	6906.21.80		
	6906.31.00		
	8483.10.50	696.60	8907.10.00
	8485.10.00		8907.90.00

Chapter 4

Imports Under Item 807.00: Textiles, Apparel, and Footwear¹

The U.S. textile, apparel, and footwear sector has significantly expanded its use of foreign assembly operations during the 1980's. Imports of these commodities under TSUS item 807.00 doubled during 1984-87, to \$1.8 billion in 1987, or twice the rate of increase in total imports of these products, as shown in table 4-1. Recent actions by the U.S. Government to liberalize quotas on textile and apparel imports from the major sources, Mexico and especially the Caribbean Basin (discussed later in this section), are likely to accelerate the growth of imports under item 807.00 during the remainder of the 1980's.

The textile, apparel, and footwear sector accounts for a major share of the total duty-free content of all item 807.00 imports. This share peaked at 15 percent in 1986 before decreasing to 9 percent in 1987. This decline did not present a real change in the sector's use of item 807.00, but rather reflected a surge in the use of the provision by other commodity sectors to avoid the Customs User Fee that went into effect in December 1986.

Apparel accounted for 84 percent of duty-free content under total item 807.00 for this sector during 1984-87. Footwear supplied an additional 9 percent. The duty-free content of apparel imports, unlike most other products entered under item 807.00, exceeds the dutiable portion of such imports. During 1984-87, the U.S.-made content of apparel averaged 64 percent versus less than 20 percent for all other sectors combined. Consequently, the tariff advantage of item 807.00 is more significant for apparel than for other product sectors, especially since apparel imports were assessed an average tariff of 20.2 percent ad valorem versus only 3.5 percent for all other product categories in 1987. Duty savings on apparel imports totaled \$194 million in 1987.

Although the duty savings are economically important to the sector, the cost savings of performing the labor-intensive assembly operations offshore are more significant. U.S.

¹ Includes products classified in schedule 3 of the Tariff Schedules of the United States: Textile fibers and textile products; and parts 1A, 1B, 1C, 12C, 12D, and 13B, schedule 7: Specified products, miscellaneous and nonenumerated products. Products in schedule 7 that are included here are footwear and parts thereof, headwear, gloves, and apparel of feathers or down, rubber, plastics, fur, and leather.

firms own, lease, or contract with existing plants in Mexico and the Caribbean countries to sew U.S. garment parts together. These countries have an abundant supply of low-cost labor, and their proximity to the United States provides U.S. firms with greater control over production and shorter delivery leadtimes than for goods from the Far East. Consequently, the majority of the duty-free content of item 807.00 imports comes from Mexico and the Caribbean, as shown in table 4-2.

The cost savings of "807" apparel operations are shown in table 4-3 for four typical garments. The table compares the costs of producing these garments in the United States, in an item 807.00 operation in the Caribbean Basin, the major source of imported apparel, and in Hong Kong. The figures represent typical costs and are used only to illustrate the significance of labor and other costs. The data show that assembly costs in the Caribbean are only one-third of U.S. assembly costs and three-fourths of Hong Kong's costs.

Although this cost advantage is partly offset by duties and other expenses connected with importing, use of Caribbean-assembled products still results in cost savings of between 15 and 30 percent compared with U.S. assembly costs.

The Caribbean Basin may emerge as a competitive alternate source to the major Asian suppliers. The tight quota situation facing Hong Kong, Korea, and Taiwan, whose shipments are limited to average annual quota growth of about 1 percent, has encouraged producers there and U.S. importers to shift production to other countries not limited by restrictive quotas, such as those in the Caribbean. Imports not entered under item 807.00 apparel from the Caribbean, for example, have been rising more rapidly than those entered under item 807.00, albeit from a much smaller base. Imports of "non-807.00" apparel from the Caribbean more than quadrupled during 1984-87, to \$240 million in 1987, and those under item 807.00 doubled to \$868 million.

Imports of most textiles and apparel, including those entered under item 807.00, are subject to quantitative restraint under the Multifiber Arrangement (MFA)². The MFA

² The MFA is an international agreement negotiated under the auspices of the General Agreement on Tariffs and Trade. It provides the framework for the negotiation of bilateral agreements between importing and exporting nations, or for unilateral action by importing nations in the absence of an agreement, to regulate textile and apparel trade among its signatories. The MFA was implemented in 1974 and was extended on Aug. 1, 1986, for a third time, through July 1991. The United States has agreements with 42 countries, including the major apparel suppliers under item 807.00—Mexico, the Dominican Republic, Haiti, Costa Rica and Jamaica.

Table 4-1

Textiles, apparel, and footwear: U.S. imports for consumption, total and under TSUS Item 807.00, 1984-87

Item and year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nomi- nal	Effec- tive	Million dollars
Total: ¹								
1984	23,455	926	4	588	64	23.8	8.7	140
1985	26,082	1,172	5	723	62	22.2	8.5	161
1986	29,964	1,434	5	906	63	20.5	7.5	186
1987	34,766	1,841	5	1,065	58	19.1	8.1	203
Apparel:								
1984	13,322	789	6	502	64	25.2	9.2	126
1985	14,840	970	7	617	64	24.0	8.7	148
1986	17,085	1,123	7	730	65	22.8	8.0	166
1987	20,268	1,437	7	914	64	21.3	7.8	194
Footwear:								
1984	5,247	93	2	55	59	16.3	6.7	9
1985	5,959	142	2	70	49	14.8	7.5	10
1986	6,736	173	3	74	43	14.6	8.4	11
1987	7,537	301	4	89	30	12.5	8.8	11
Percentage change								
Total:								
Change, 1987 from 1984	48	99	25	81	(9)	(20)	(7)	45
Average annual change, 1987 from 1984	14	26	11	22	(3)	(7)	(2)	13
Apparel:								
Change, 1987 from 1984	52	82	17	82	0	(15)	(15)	54
Average annual change, 1987 from 1984	15	22	5	22	0	(5)	(5)	15
Footwear:								
Change, 1987 from 1984	44	224	100	62	(49)	(23)	31	22
Average annual change, 1987 from 1984	13	48	30	17	(20)	(8)	10	7

¹ The data shown for apparel and footwear are not fully additive, because the tariff concordance used to generate the data for apparel differs slightly from the concordance used to generate the total and footwear data.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 4-2

Textiles, apparel, and footwear: Duty-free value of U.S. imports for consumption under TSUS Item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Share of total duty-free value	
	Million Dollars				Percent	1984	1987
Total:							
Mexico	228	282	363	380	66	39	36
Dominican Republic ..	111	143	190	234	111	19	22
Haiti	64	80	78	97	52	11	9
Costa Rica	54	62	84	92	70	9	9
Jamaica	15	28	49	84	474	3	8
Colombia	24	22	26	31	27	4	3
Other	93	106	116	148	60	16	14
Total	588	723	906	1,065	81	100	100
Apparel:							
Mexico	169	202	219	268	59	34	29
Dominican Republic ..	101	132	179	222	120	20	24
Haiti	61	76	73	94	54	12	10
Costa Rica	54	62	84	92	70	11	10
Jamaica	15	28	49	84	460	3	9
Colombia	24	22	26	30	25	5	3
Honduras	15	17	20	27	80	3	3
Guatemala	3	6	9	20	567	1	2
Philippines	9	13	16	15	67	2	2
El Salvador	5	6	6	12	140	1	1
All other	46	53	49	50	9	8	7
Total	502	617	730	914	82	100	100
Footwear:							
Mexico	42	54	53	64	51	76	71
Dominican Republic ..	7	10	10	11	45	13	12
Korea	2	2	3	6	273	3	6
Other	4	5	8	10	128	8	11
Total	55	70	74	89	62	100	100

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

initially covered trade in cotton, wool, and manmade-fiber goods, but its product coverage was broadened in 1986 to include items of silk blends and miscellaneous vegetable fibers, such as linen and ramie. MFA-covered products and most footwear are not eligible for duty-free treatment under the GSP, nor are the original MFA products and most footwear eligible for such treatment under the CBERA, implemented on January 1, 1984. However, textiles, apparel, and footwear represent the major part of the total duty-free content of item 807.00 imports from the principal Caribbean countries—almost 80 percent for the Dominican Republic, 60 percent for Haiti, and more than 90 percent for Costa Rica and Jamaica.

At the time the CBERA program was originally announced, President Reagan stated his intention to liberalize quotas for textile and apparel imports from CBERA countries. On February 20, 1986, the President unveiled a "special access program" under item 807.00 for apparel and made-up textiles, such as bed linens, from eligible CBERA countries. The program, designed to increase production in these countries

and expand sales of U.S. fabrics, grants CBERA countries greater access to the U.S. market for products assembled from fabric produced and cut in the United States. Under the traditional Customs interpretation of TSUS item 807.00, the fabric need only be cut (as opposed to being made) in the United States for an imported article to be exempt from duty on the value of the U.S. parts or component materials.

The special access program, often referred to in the trade as 807-A, was formally implemented on September 1, 1986, when a new bilateral textile agreement with Jamaica went into effect. Since then, bilateral agreements have been signed with the Dominican Republic, Costa Rica, Haiti, and Trinidad and Tobago to participate in this program under which guaranteed access levels (GAL's) are established to ensure market access for qualifying products. These GAL's are separate from and usually higher than the quotas applicable to products not assembled solely from U.S.-made-and-cut fabric. In addition, the GAL's may be increased on request by the exporting country and, barring market disruption, increases are virtually automatic and unlimited.

Table 4-3

Cost comparison of producing selected apparel products in the United States, in an 807.00 operation in the Caribbean Basin and in Hong Kong, 1987

Item	Materials		Labor and overhead		Freight, duty and related costs	Total costs
	Fabric	Total	Cutting	Assembly		
Women's blouses ¹						
Domestic	\$2.91	\$3.33	\$0.29	\$4.75	\$0.04	\$8.41
Caribbean	2.91	3.33	.29	1.66	.77	6.05
Hong Kong	2.11	2.53	.09	2.20	1.41	6.23
Men's sport coats ²						
Domestic	\$9.00	\$14.90	\$3.84	\$15.66	\$0.08	\$34.48
Caribbean	9.00	14.90	3.84	5.44	3.49	27.67
Hong Kong	7.20	11.63	1.26	7.24	8.12	28.25
Brassieres ³						
Domestic	\$0.55	\$2.19	\$0.18	\$1.79	\$0.01	\$4.17
Caribbean . . . . .	.55	2.19	.18	.73	.45	3.55
Hong Kong . . . . .	.43	1.65	.07	.83	.87	3.42
Men's casual slacks ⁴						
Domestic	\$3.03	\$3.59	\$0.16	\$4.46	\$0.02	\$8.23
Caribbean	3.03	3.59	.16	1.56	.57	5.88
Hong Kong	2.51	2.93	.06	2.08	1.26	6.33

¹ Long-sleeve blouses, not ornamented, of 55 percent cotton and 45 percent polyester.

² Men's sport coats, not ornamented, of 100 percent polyester.

³ Manmade-fiber underwire brassieres. The 807.00 cost assumes finishing in the United States. The Hong Kong cost is for a finished package.

⁴ Men's casual slacks, not ornamented, of 100 percent cotton canvas fabric.

Source: Compiled by the U.S. International Trade Commission, Textiles Division, from industry sources.

Imports of apparel under 807-A in 1987, the first full year of the plan, totaled \$79 million, or 9 percent of total item 807.00 imports of apparel from CBERA countries. Jamaica supplied three-fourths of the shipments that year.

A similar program was created for Mexico in the new 4-year bilateral textile and apparel agreement that went into effect on January 1, 1988. A "special regime" was established for most apparel and selected made-up textiles entered under item 807.00, whereby a significant portion of the quotas were for the first time set aside for articles assembled with U.S.-made-and-cut fabric. Unlike the 807-A program, which uses separate quotas (GAL's) and permits virtually unlimited market access for such products, the special regime combines products of U.S. and foreign fabrics under the same quota and limits quota growth to 6 percent annually. However, the new agreement with Mexico also increases its U.S. quotas significantly above the 1987 base levels to accommodate the special regime, imports under which will be allowed entry as of January 1, 1989.

Until the special regime was negotiated, the Mexican Government was reluctant to approve additional participation by U.S. apparel producers in the Maquiladora program. The Mexican Government was concerned that so much of the quota would be filled by U.S.-based companies that Mexican firms would be denied access to the U.S. market. The Mexican Government encouraged existing U.S.-affiliated maquila operations that were exporting apparel to foreign markets to do so directly from Mexico rather than export Maquila-sewn apparel from related facilities in the United States so that more room would be left in the quotas for production by Mexican companies.

The use of item 807.00 is widespread among many apparel products, as shown in table 4-4. However, about 70 percent of the sector's imports under the provision, in terms of duty-free content, are concentrated in four products: trousers, slacks, and shorts; body-supporting garments, such as brassieres; shirts and blouses; and coats and jackets. These products, for men, women, and children, are analyzed separately in the remainder of this section.

Table 4-4

Apparel: U.S. Imports for consumption, total and under TSUS Item 807.00, by types, 1987

Item	Total imports	Item 807.00 imports		Ratio of 807.00 imports to total imports	Ratio of duty-free value to total 807.00 imports
		Total	Duty-free value		
		Million Dollars		Percent	Percent
Men's trousers	1,394	297	211	21	71
Body-supporting garments	252	181	120	72	66
Women's shirts	3,397	165	94	5	57
Women's trousers	1,780	131	84	7	64
Men's shirts	2,559	149	77	6	52
Underwear	231	56	43	24	77
Men's coats	908	61	36	7	59
Skirts	915	57	30	6	53
Nonwoven disposable apparel	36	34	27	94	79
Women's coats	1,076	42	25	4	60
Sleepwear	262	39	23	15	59
Men's and women's coveralls	140	32	23	23	72
Headwear	282	29	21	10	72
Dresses	773	33	20	4	61
Women's suits	194	26	18	13	69
Gloves	401	30	17	7	57
Pantyhose	32	16	14	50	81
All other	5,636	59	31	1	53
Total	20,268	1,437	914	7	64

Source: Compiled from official statistics of the U.S. Department of Commerce.

Trousers, Slacks, and Shorts

Trousers, including slacks and shorts, are the single largest apparel product entered under item 807.00. Trouser imports under item 807.00 continued to increase in importance during 1984-87, when they rose twice as fast as total trouser imports, as shown in table 4-5. The duty-free value climbed by 130 percent during the period, to a high of nearly \$300 million in 1987, and total imports advanced by 62 percent to a record \$3.2 billion. Consequently, the share of total imports accounted for by item 807.00 shipments expanded from 9 percent in 1984 to 14 percent in 1987. Item 807.00 imports also represent a growing share of U.S. producers' trouser shipments, totaling about 9 percent of the volume of shipments in 1986.

The nominal and effective rates of duty for trousers declined during 1984-87. The nominal rate fell from 24.6 to 21.4 percent and the effective rate declined from 7.0 to 6.6 percent. However, because of the substantial growth in item 807.00 imports, duty savings doubled during the period to \$63 million.

Trousers entered under item 807.00 usually have a relatively large share of U.S. content. This product contains more fabric than most other apparel and, therefore, fabric and trim costs are high compared with assembly costs, especially when low-cost labor is used. The duty-free content averaged almost 72 percent of the total value of item 807.00 imports during 1984-86 before slipping to 69 percent in 1987. This decline partly reflected an increase in imports of mostly women's trousers from Asia that contained a negligible amount of U.S. content, and also reflected a small decline in U.S. content of shipments primarily from the Dominican Republic.

All but a small part of the imports under item 807.00 during 1984-87 came from five

countries—Mexico, the Dominican Republic, Costa Rica, Jamaica, and Haiti. Mexico remained the major supplier and, although its shipments expanded during 1984-87, the country's share of duty-free content decreased significantly from 49 percent to 33 percent, as shown in table 4-6. In contrast, imports from the Dominican Republic grew rapidly during the period, enabling this supplier to increase its share of duty-free item 807.00 imports from 17 percent to 28 percent. Substantial growth also occurred in shipments from Jamaica and Guatemala, both of which more than doubled their shares of the total duty-free value during 1984-87.

The only countries listed in table 4-6 whose shipments of trousers, including those under item 807.00, were subject to specific limits, or quotas, during 1987 were Mexico and the Dominican Republic. The quotas for these sources were binding. Quotas that are at least 85 percent filled can be considered binding because at this level customs officials are especially careful about permitting additional imports, and importers become uncertain if specific shipments will be allowed entry. Mexico filled about 85 percent of its quotas on trousers of cotton (2.0 million dozen) and manmade fibers (1.3 million dozen) and the Dominican Republic filled 91 percent of its quota on cotton trousers (800,000 dozen for the 5-month period ending December 1987).

A more flexible form of import control called designated consultation levels (DCL's), which cannot be exceeded unless the United States agrees to further shipments, were in effect on wool pants from Mexico, cotton pants from Haiti, and cotton and manmade-fiber pants from Jamaica and Trinidad and Tobago. The only DCL's filled at least 85 percent were those for imports from Haiti and Jamaica. GAL's were in effect for Haiti, Jamaica, and Trinidad and Tobago, but they were substantially unfilled.

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Table 4-5

Trousers, slacks, and shorts: U.S. imports for consumption, total and under TSUS Item 807.00, 1984-87

Year	Total Imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
						Nomi- nal	Effec- tive	
	Million dollars	Million dollars	Percent	Million dollars	Percent	—Percent—		Million dollars
1984	1,953	179	9	128	72	24.6	7.0	32
1985	2,262	243	11	174	72	23.7	6.7	41
1986	2,627	324	12	232	72	22.7	6.4	53
1987	3,174	428	14	296	69	21.4	6.6	63
<hr/>								
	Percentage change							
Change, 1987 from 1984	62	139	47	130	(4)	(13)	(6)	101
Average annual change, 1987 from 1984	18	34	14	32	(1)	(5)	(2)	26

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 4-6

Trousers, slacks, and shorts: Duty-free value of U.S. imports for consumption under TSUS Item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Share of total duty-free value	
						1984	1987
	Million Dollars				Percent	Percent	
Mexico	63	71	80	99	57	49	33
Dominican Republic	22	43	64	84	282	17	28
Costa Rica	11	16	28	33	189	9	11
Jamaica	5	12	21	32	517	4	11
Haiti	14	18	20	26	88	11	9
Guatemala	1	2	5	8	744	1	3
Honduras	3	5	5	6	72	3	2
Belize	1	2	2	4	245	1	1
Other	8	6	8	5	(33)	6	2
Total	128	174	232	296	130	100	100

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes a concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for men's and boys' trousers, slacks, and shorts:

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
COTTON		COTTON—Con.	
381.0005	6203.42.20	381.8510	6103.42.10
381.0252	6112.11.00	381.8634	6203.19.10
			6203.42.40
381.0254	6103.42.10		
381.0429	6117.90.00		
381.9930	6103.42.10		
381.0530	6203.42.40	WOOL	
		381.1330	6103.41.10
381.0540	6203.42.40		6103.43.10
381.0542	6203.42.40	381.1539	6117.90.00
381.0546	6203.42.40	381.1750	6203.41.10
	6203.43.30		
381.0832	6217.90.00		
381.3509	6103.42.10	381.2015	6217.90.00
381.3930	6112.11.00	381.3530	6103.41.10
381.3940	6103.42.10	381.6624	6103.41.10
381.4343	6117.90.00	381.6954	6203.41.10
381.6005	6203.42.20	381.7160	6103.41.10
381.6210	6203.42.40		6103.43.10
381.6220	6203.42.40	381.7580	6103.49.10
381.6230	6203.42.40		6103.41.10
381.6240	6203.42.40	381.7646	6117.90.00
381.6250	6203.42.40	381.7850	6203.41.10
381.6260	6203.42.40	381.8360	6203.43.30
381.6270	6203.42.40		6203.41.10
381.6543	6217.90.00	381.8414	6203.43.30
381.6611	6103.42.10	381.8518	6217.90.00
381.6924	6203.42.40	381.8650	6103.41.10
			6203.41.10

Men's and boys' trousers, slacks, and shorts—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
WOOL—Con.		MANMADE FIBERS—Con.	
		381.9580	6203.23.00
			6203.43.40
		381.9585	6203.43.40
		381.9846	6217.90.00
381.9952	6103.41.10	381.9974	6103.43.15
	6103.43.10		
	6103.49.10	OTHER	
MANMADE FIBERS		381.3587	6103.49.30
381.2350	6103.43.15	381.6698	6103.49.30
381.2370	6103.43.15	381.6996	6203.49.30
	6112.12.00		
	6112.20.10	381.8580	6103.49.30
381.2375	6103.43.15	381.8693	6203.49.30
381.2859	6117.90.00	381.9988	6103.49.30
381.3180	6203.43.40		
381.3190	6203.43.40		
	6211.20.30		
381.3335	6217.90.00		
381.3549	6103.43.15		
381.6679	6103.43.15		
	6103.49.10		
381.6984	6203.43.40		
381.8531	6103.43.15		
381.8672	6203.12.20		
	6203.43.40		
381.8730	6112.12.00		
381.8815	6103.43.15		
381.8835	6103.43.15		
	6112.20.10		
381.8840	6103.43.15		
381.9234	6117.90.00		
381.9310	6203.43.25		
381.9575	6203.43.40		
	6211.20.30		

The following list includes a concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for women's, girls', and infants' trousers, slacks and shorts:

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
COTTON		COTTON—Con.	
		384.0733	6203.42.40
		384.0734	6203.42.40
		384.0736	6202.62.40
			6209.20.30
			6209.20.50
384.0015	6204.62.20 6204.62.30	384.0738	6203.19.10 6203.42.40
384.0262	6112.11.00	384.0739	6111.20.50 6204.12.00 6204.62.40 6209.20.30
384.0263	6111.20.60 6112.11.00		
384.0265	6112.11.00	384.0741	6204.12.00 6204.62.40 6209.20.30
384.0266	6103.42.10		
384.0267	6104.62.20 6111.20.50 6111.20.60	384.0965	6217.90.00
384.0269	6104.62.20 6111.20.50	384.2706	6104.62.20
384.0350	6117.90.00	384.2751	6204.62.40
384.0608	6204.62.40	384.3026	6112.11.00
384.0612	6204.62.40	384.3027	6112.11.00
384.0614	6203.42.40	384.3029	6112.11.00
384.0618	6204.62.40 6209.20.30 6209.20.50	384.3035	6104.62.20
	6204.62.40	384.3038	6104.62.20
384.0711	6204.12.00	384.3042	6103.42.10
		384.3044	6104.62.20 6111.20.50 6111.20.60
384.0712	6204.12.00		
384.0722	6204.22.30	384.3122	6103.42.10
384.0724	6204.62.40	384.3123	6104.62.20 6111.20.50
384.0726	6230.42.40		
384.0729	6209.20.30 6209.20.50		
384.0731	6204.22.30 6204.62.40		

Women's, girls', and infants' trousers, slacks and shorts—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
COTTON	COTTON—Con.		
		384.5275	6217.90.00
		384.5422	6104.62.20
		384.5526	6204.62.40
384.3125	6104.62.20	384.7716	6104.62.20
384.3466	6117.90.00	384.7815	6204.62.40
384.4520	6204.62.30	384.9527	6104.62.20
			6204.62.40
384.4647	6204.62.40		
384.4648	6203.42.40	791.7420	6204.62.40
384.4651	6204.62.40	WOOL	
	6209.20.30	376.5623	6204.63.30
			6210.50.10
384.4652	6204.62.40		
		384.1312	6104.61.00
384.4720	6203.19.10		6104.63.15
	6203.42.40		
		384.1332	6117.90.00
384.4723	6204.12.00		
	6204.62.40	384.1613	6204.61.00
	6209.20.30		6204.63.25
			6204.69.20
384.4724	6204.12.00		
	6204.62.40	384.2714	6104.61.00
	6209.20.30		
		384.2767	6204.61.00
384.4735	6204.62.40		
		384.5452	6104.61.00
384.4740	6203.42.40		
		384.5561	6204.61.00
384.4746	6204.62.40		
		384.5935	6117.90.00
384.4747	6204.62.40		
		384.6385	6104.61.00
384.4750	6204.62.40		6104.63.15
384.4755	6203.42.40	384.6391	6117.90.00
384.4763	6204.62.40	384.6649	6203.41.10
384.4764	6204.62.40	384.6651	6204.61.00
			6204.63.25
384.4765	6204.62.40		6204.69.20
384.4770	6203.19.10		
	6206.42.40		
384.4774	6204.62.40		
	6209.20.30		

Women's, girls', and infants' trousers, slacks and shorts—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
WOOL—Con.		MANMADE FIBERS—Con.	
		384.2050	6104.63.20 6111.90.10 6112.12.00 6117.90.00
		384.2267	6117.90.00
384.6653	6217.90.00	384.2341	6203.43.40
384.7524	6203.41.10	384.2342	6204.63.35 6209.30.20
384.7526	6204.61.00	384.2344	6204.63.35 6209.30.20
384.7554	6203.41.10		
384.7556	6204.61.00 6204.63.25 6204.69.20	384.2345	6204.63.35 6211.20.60
384.7558	6217.90.00	384.2348	6204.63.35
384.7736	6104.61.00	384.2351	6203.43.40
384.7835	6204.61.00	384.2355	6204.63.35 6209.30.20 6209.90.20
384.9650	6104.61.00 6204.61.00		
		384.2667	6217.90.00
MANMADE FIBERS		384.2722	6104.63.20
384.1926	6103.43.15	384.2783	6204.63.35
384.1927	6104.63.20 6111.30.10 6111.30.30 6111.90.50	384.5482	6104.63.20
384.1929	6104.63.15 6104.63.20 6104.69.20	384.5684 384.7756	6204.63.35 6104.63.20
384.1950	6104.63.20	384.7858	6204.63.35
384.2010	6112.12.00	384.8241 384.8242	6112.12.00 6112.12.00 6112.19.10
384.2015	6111.30.50 6112.12.00	384.8244	6112.12.00 6112.19.10
384.2017	6112.19.10 6112.19.20		
384.2030	6104.63.20		
384.2040	6103.43.15		

Women's, girls', and infants' trousers, slacks and shorts—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
MANMADE FIBERS—Con:		MANMADE FIBERS—Con.	
384.8245	6104.63.20 6112.20.10	791.7481	6204.63.35
384.8247	6104.63.20	OTHER	
384.8256	6103.43.15	384.2737	6104.69.30
384.8258	6104.63.20 6111.90.10 6111.90.50	384.2794	6204.69.30 6204.69.90
384.8262	6103.43.15	384.5350	6104.69.30
384.8263	6104.63.20 6111.90.10 6111.90.50	384.5697	6204.69.90
384.8265	6104.63.20	384.7784	6104.69.30
384.8682	6117.90.00	384.7893	6204.69.30
384.8820	6204.63.20	384.9696	6104.69.30
384.9000	6204.63.35 6211.20.60		
384.9168	6203.43.40		
384.9170	6204.63.35 6209.20.30 6209.30.20		
384.9171	6204.63.35		
384.9172	6204.63.35		
384.9174	6203.43.40		
384.9176	6209.20.30 6209.30.20 6204.63.35		
384.9372	6217.90.00		
384.9678	6104.63.20		
791.7458	6103.43.15 6103.49.10 6104.63.20 6104.69.20		

Body-Supporting Garments

A greater portion of the U.S. body-supporting garment industry (of which brassieres are the dominant product) is involved in foreign assembly operations than any other apparel sector. Slightly more than one-half of the quantity of the industry's 1986 shipments consisted of goods entered under item 807.00. The production of brassieres is particularly suited to item 807.00-type operations not only because it is highly labor intensive, but also because brassieres are lightweight thereby minimizing transportation costs.

Body-supporting garments are one of the few apparel products in which item 807.00 shipments constitute the major, although declining, portion of imports. The share of total imports entered under item 807.00, which totaled 83 percent in 1982, dropped to 72 percent in 1987, as shown in table 4-7. This decline resulted from smaller growth in item 807.00 shipments, which rose by 21 percent and imports not under item 807.00 rose by 39 percent during 1984-87. During the period, the duty-free content of item 807.00 imports increased 23 percent, a lower rate of increase than in previous years.

U.S. content averaged 66 percent of the total value of item 807.00 imports during 1984-87. The figure would be 74 percent if imports from the Philippines, traditionally the largest supplier overall, were excluded. U.S. content averaged only 34 percent of the total value of item 807.00 imports from the Philippines, whose industry, developed largely under U.S. ownership and financing, uses a significant amount of Asian-made fabric.

The nominal and effective rates of duty changed very little during the period, hovering at

27 and 9 percent, respectively. However, the 21-percent increase in total item 807.00 imports resulted in a 24-percent increase in total duty savings, from almost \$27 million to \$33 million as shown in table 4-7.

The Philippines is by far the largest supplier of total item 807.00 imports, with shipments in 1987 totaling \$53 million, or more than twice as large as those of the second largest supplier, the Dominican Republic. However, the Philippines ranked fifth, in terms of the duty-free content of item 807.00 imports in 1987, accounting for just under 10 percent of the total, as shown in table 4-8. The largest suppliers of both duty-free and total item 807.00 content, after the Philippines, were the Dominican Republic, Mexico, and Costa Rica, which together composed 56 percent of the total duty-free content in 1987, and Haiti, which accounted for 11 percent. Imports from Costa Rica are likely to grow substantially soon because a major U.S. producer is expanding its production capacity there by 740,000 dozen, to 1.2 million dozen. Costa Rica's current brassiere production totals 1.7 million dozen annually.

The Philippines, which filled 96 percent of its 4.3 million dozen quota for manmade-fiber brassieres, was the only country of the major item 807.00 suppliers in 1987 to have a binding quota. Mexico supplied 93 percent of its 1.2 million dozen DCL for cotton and manmade-fiber brassieres. The Dominican Republic and Costa Rica provided roughly three-fourths of their manmade-fiber brassiere quotas of 2.3 million and 2.5 million dozen, respectively. Haiti and Jamaica, whose shipments were not covered by quota, filled less than 5 percent of their GAL's of approximately 2.5 million dozen each.

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Table 4-7

Body-supporting garments: U.S. imports for consumption, total and under TSUS item 807.00, 1984-87

Year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nomi- nal	Effec- tive	Million dollars
1984	200	149	74	97	66	27.4	9.5	27
1985	228	177	77	117	66	27.4	9.4	32
1986	218	159	73	106	66	27.3	9.2	29
1987	252	181	72	120	67	27.5	9.2	33
Percentage change								
Change, 1987 from 1984	26	21	(4)	23	2	(¹)	(3)	24
Average annual change, 1987 from 1984	8	7	(1)	7	1	(¹)	(1)	7

¹ Less than 0.5 percent.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 4-8

Body-supporting garments: Duty-free value of U.S. imports for consumption under TSUS Item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Share of total duty-free value	
						1984	1987
	Million Dollars				Percent	Percent	
Dominican Republic	20	20	19	24	20	20	20
Mexico	23	21	18	22	(4)	23	18
Costa Rica	20	18	16	21	7	20	18
Haiti	6	15	11	13	128	6	11
Philippines	5	9	12	12	119	5	10
Jamaica	6	10	10	11	66	7	9
Honduras	4	4	4	6	37	4	5
St. Lucia	2	2	2	3	63	2	2
St. Christopher-Nevis	3	2	2	3	(10)	3	2
Other	9	17	12	7	(19)	9	6
Total	97	117	105	120	23	100	100

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes a concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for body-supporting garments:

TSUS item	HTS subheading	TSUS item	HTS subheading
COTTON			
376.2425	6212.10.10		
376.2466	6212.20.00		
376.2825	6212.10.20		
376.2866	6212.20.00		
	6212.30.00		
MANMADE FIBERS	384.5350		
376.2430	6212.10.10		
376.2470	6212.20.00		
	6212.30.00		
376.2830	6212.10.20		
376.2876	6212.20.00		
	6212.30.00		
OTHER			
376.2436	6212.10.10		
376.2456	6212.10.10		
376.2476	6212.20.00		
376.2496	6212.20.00		
376.2836	6212.10.20		
376.2856	6212.10.20		
376.2888	6212.20.00		
	6212.30.30		
376.2898	6212.20.00		
	6212.30.00		

Shirts and Blouses

The growth in TSUS item 807.00 imports of shirts, including blouses, far exceeded the growth of total shirt imports during 1984-87, as shown in table 4-9. Item 807.00 imports increased 100 percent versus a rise of 62 percent for total imports. Consequently, the ratio of item 807.00 imports to total imports rose to 5.3 percent in 1987, the highest level in at least 5 years. The duty-free content of item 807.00 imports rose by 115 percent during the period, resulting in a small increase of its share of the total value of item 807.00 imports to 54 percent in 1987. However, the relative importance of the duty-free content of item 807.00 imports remained significantly lower than that for other apparel products because of the relatively small share of U.S. content in shirts from Hong Kong, Taiwan, and Korea. Although these sources together accounted for 13 percent of the total value of item 807.00 imports in 1987, item 807.00 shipments accounted for only 1 percent of their total shirt shipments of \$2.9 billion that year.

The nominal and effective rates of duty both declined during 1984-87, to 22.8 percent and 10.4 percent, respectively. However, the substantial increase in item 807.00 imports generated a 93-percent increase in total duty savings, from \$20 million to \$39 million.

A major part of the growth in item 807.00 imports during 1984-87 was generated by Jamaica, whose shipments of the duty-free

content of item 807.00 imports rose from \$1 million in 1984 to \$24 million in 1987, as shown in table 4-10. Jamaica, Honduras, and Guatemala were the only major suppliers to expand their shares of these imports. Jamaica was subject to binding quotas on cotton and manmade-fiber shirts in 1987. It filled about 85 percent or more of its quotas for men's and women's knit shirts (542,435 dozen for the 16-month period ending December 1987) and women's woven shirts (431,200 dozen) and a DCL for men's woven shirts (375,000 dozen for the 16-month period). Jamaica also overshipped its GAL for men's and women's knit shirts (950,000 dozen for the 16-month period) but used only slightly more than 10 percent of its GAL's for woven shirts (200,000 dozen for men and 116,667 dozen for women). The only other major item 807.00 suppliers with GAL's were Haiti and Trinidad and Tobago, which used little or none of them.

Mexico was the only other major item 807.00 supplier whose shipments were subject to binding quotas in 1987. It filled more than 90 percent of its quotas on women's woven cotton and manmade-fiber shirts (734,827 dozen) and men's and women's knit cotton and manmade-fiber shirts (875,000 dozen). The quotas for Costa Rica and the Dominican Republic, the only other major item 807.00 sources covered by quota were largely unfilled.

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Table 4-9

Shirts and blouses: U.S. imports for consumption, total and under TSUS item 807.00, 1984-87

Year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nomi- nal	Effec- tive	Million dollars
1984	3,679	157	4	79	51	25.6	12.7	20
1985	4,200	190	5	95	50	24.7	12.3	24
1986	5,024	235	5	123	52	23.6	11.3	29
1987	5,956	314	5	170	54	22.8	10.4	39
Percentage change								
Change, 1987 from 1984	62	100	23	115	8	(11)	(18)	93
Average annual change, 1987 from 1984	17	26	7	29	2	(4)	(6)	24

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 4-10

Shirts and blouses: Duty-free value of U.S. imports for consumption under TSUS item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Share of total duty-free value	
						1984	1987
	Million Dollars				Percent	Percent	
Dominican Republic . . .	18	25	33	37	102	23	22
Mexico	22	23	32	35	62	27	21
Haiti	12	15	16	25	106	15	14
Jamaica	1	3	9	24	2,300	2	14
Costa Rica	11	12	17	19	74	14	11
Honduras	1	3	4	9	564	2	6
Colombia	7	5	4	7	4	9	4
Guatemala	1	2	2	6	367	2	3
Other	6	8	6	10	64	8	6
Total	79	95	123	170	115	100	100

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes a concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for men's and boys' knit shirts:

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
COTTON		WOOL—Con.	
381.0220	6109.10.00	381.7605	6105.90.10 6110.10.20
381.0230	6109.10.00		
381.0240	6105.10.00 6110.20.20	381.8514	6105.90.10 6110.10.20
381.0425	6117.90.00	381.9946	6105.20.10 6105.90.10 6110.10.20 6110.30.15
381.3516	6105.10.00 6110.20.20		
		MANMADE FIBER	
381.4010	6109.10.00		
381.4020	6110.20.20	381.2410	6109.90.10
381.4110	6109.10.00	381.2420	6109.90.10
381.4120	6109.10.00	381.2430	6105.20.20 6110.30.30
381.4130	6105.10.00 6110.20.20	381.2855	6117.90.00
381.4337	6117.90.00	381.3557	6105.20.20 6110.30.30
381.6610	6105.10.00 6110.20.10 6110.20.20	381.6676	6105.20.20 6110.30.30
		381.8528	6105.20.20 6110.30.20
381.8506	6105.10.00 6110.20.20	381.8910	6110.30.30
381.9924	6105.10.00 6110.20.20	381.8920	6109.90.10
WOOL		381.8925	6109.90.10
381.1510	6105.20.10 6105.90.10 6110.10.20	381.8930	6105.20.20 6110.30.30
		381.9225	6117.90.00
381.3531	6105.90.10 6110.10.20	381.9964	6105.20.20 6110.30.30
381.6621	6105.90.10 6110.10.20		

Men's and boys' knit shirts—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
OTHER			
381.3563	6105.90.30		
381.3571	6105.90.30		
	6110.90.00		
381.6695	6105.90.30		
	6110.90.00		
381.8540	6105.90.30		
381.8550	6105.90.30		
381.9982	6105.90.30		
	6110.90.00		

The following list includes a concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for women's, girls', and infants' knit shirts and blouses:

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
COTTON		COTTON—Con.	
384.0205	6109.10.00	384.0232	6114.20.00
384.0207	6109.10.00	384.0233	6111.20.60
384.0208	6109.10.00		6114.20.00
		384.0235	6114.20.00
384.0212	6109.10.00		
	6111.20.20	384.0330	6117.90.00
	6111.20.60		
		384.2704	6106.10.00
384.0213	6106.10.00		
	6111.20.20	384.2806	6109.10.00
384.0214	6106.10.00	384.2810	6109.10.00
384.0216	6105.10.00	384.2812	6109.10.00
384.0217	6106.10.00	384.2814	6109.10.00
	6111.20.10		6111.20.20
	6111.20.60	384.2815	6106.10.00
384.0219	6109.10.00		
		384.2816	6106.10.00
384.0220	6109.10.00		
	6111.20.20	384.2818	6105.10.00
	6111.20.60		
		384.2821	6106.10.00
384.0221	6109.10.00		6111.20.10
384.0223	6110.20.20	384.2910	6109.10.00
384.0225	6110.20.20	384.2914	6109.10.00
	6111.20.30		6111.20.20
	6111.20.60		
		384.2915	6109.10.00
384.0227	6110.20.20		6111.20.20
384.0229	6105.10.00	384.2930	6110.20.20
384.0230	6106.10.00	384.2934	6110.20.20
	6111.20.10		
	6111.20.60	384.2935	6110.20.20
384.0231	6106.10.00	384.2950	6106.10.00
	6110.20.20		6110.20.20
	6111.20.10		
	6111.20.60	384.2960	6106.10.00
			6110.20.20

Women's, girls', and infants' knit shirts and blouses—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
COTTON		MANMADE FIBERS—Con.	
384.2970	6105.10.00	384.1805	6109.90.10
384.2980	6110.20.20	384.1806	6109.90.10
	6111.20.10		6111.30.30
			6111.30.50
384.3437	6114.20.00		6111.90.30
384.3439	6111.20.60	384.1807	6106.20.20
	6114.20.00		
384.3441	6114.20.00	384.1809	6106.20.20
384.3462	6117.90.00	384.1811	6105.20.20
		384.1812	6111.30.20
384.5404	6106.10.00		6111.30.40
			6111.30.50
384.7704	6106.10.00		6111.90.20
			6111.90.40
384.9517	6106.10.00		6111.90.50
WOOL		384.1822	6109.90.10
384.1307	6105.90.10	384.1823	6109.90.10
	6106.20.10		6111.30.30
			6111.30.50
384.1309	6106.20.10	384.1825	6109.90.10
	6106.90.10		
	6110.10.20	384.1841	6106.20.20
384.2711	6106.90.10		6110.30.30
		384.1843	6106.20.20
		384.1846	6105.20.20
			6110.30.30
384.5434	6106.90.10	384.1848	6106.20.20
384.5910	6106.20.10		6111.30.40
	6106.90.10	384.1922	6111.30.50
	6109.90.20		6114.30.10
		384.1923	6111.30.50
384.6310	6106.20.10		6114.30.10
	6106.90.10	384.1925	6109.90.10
384.7724	6106.90.10		
	6110.10.20	384.2266	6117.90.00
384.9640	6106.90.10	384.2719	6106.20.20
MANMADE FIBERS			
384.1802	6109.90.10		
384.1804	6109.90.10		

Women's, girls', and infants' knit shirts and blouses—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
MANMADE FIBERS—Con.		MANMADE FIBERS—Con.	
384.8128	6110.30.30 6110.30.40 6110.30.50		
384.8129			
384.5464	6106.20.20 6110.30.30	384.8131	6110.30.30
		384.8237	6114.30.10
384.7744	6106.20.20 6110.30.20	384.8238	6114.30.10
384.8002	6109.90.10	384.8240	6114.30.10
384.8007	6109.90.10	384.8679	6117.90.00
384.8009	6109.90.10	384.9668	6106.20.20
384.8011	6109.90.10 6111.30.30 6111.30.50	OTHER	
		384.2724	6105.90.30 6106.90.20
384.8012	6106.20.20 6110.30.30	384.2731	6105.90.30 6106.90.20
384.8014	6106.20.20	384.5310	6106.90.30
384.8017	6105.20.20	384.7765	6106.90.20
384.8019	6106.20.20 6111.30.20 6111.30.40	384.7775	6106.90.20
		348.9691	6105.90.30 6106.90.20
384.8024	6109.90.10		
384.8025	6109.90.10 6111.30.30 6111.30.50		
384.8027	6109.90.10		
384.8045	6106.20.20 6106.30.30		
384.8048	6106.20.20 6110.30.30		
384.8050	6105.20.20 6110.30.30		
384.8052	6106.20.20 6111.30.20 6111.30.40		

The following list includes a concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for men's and boys' woven shirts:

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
COTTON		WOOL—Con.	
		381.6942	6205.10.20
		381.7830	6205.10.20
			6205.30.15
		381.8340	6205.10.20
			6205.30.15
381.0522	6205.20.20	381.8646	6205.10.20
381.0524	6205.20.20	381.9948	6205.10.20
			6205.30.15
381.0831	6217.90.00		
381.3517	6205.20.20	MANMADE FIBERS	
381.5400	6205.20.10	381.3132	6205.30.20
381.5500	6205.20.20	381.3134	6205.30.20
381.5610	6205.20.20	381.3142	6203.23.00
381.5620	6205.20.20		6205.30.20
381.5625	6205.20.20	381.3144	6203.23.00
			6205.30.20
381.5630	6205.20.20	381.3152	6205.30.20
381.5637	6205.20.20	381.3154	6205.30.20
381.5639	6205.20.20	381.3333	6217.90.00
381.5640	6205.20.20	381.3558	6205.30.20
381.5650	6205.20.20	381.6972	6205.30.20
381.5655	6205.20.20	381.8666	6205.30.20
381.5660	6205.20.20	381.9305	6205.30.10
381.5665	6205.20.20	381.9535	6205.30.20
381.6400	6217.90.00	381.9540	6205.30.20
381.6912	6205.20.20	381.9547	6205.30.20
381.8632	6205.20.20		
384.9926	6205.20.20		
WOOL			
381.1730	6205.10.20		
	6205.30.15		
381.3532	6205.10.20		

Men's and boys' woven shirts—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
MANMADE FIBERS—Con.			
381.9549	6205.30.20		
381.9550	6205.30.20		
381.9844	6217.90.40		
381.9968	6205.30.20		
OTHER			
381.3573	6205.90.20		
	6205.90.40		
381.6993	6205.90.40		
381.8676	6205.90.20		
381.8689	6205.90.20		
381.9984	6205.90.40		

The following list includes a concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for women's, girls', and infants' woven shirts and blouses:

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
COTTON—Con.		384.4621	6205.20.20
		384.4784	6205.20.20
		384.4788	6206.30.30
		384.4789	6205.20.20
			6206.30.30
384.0505	6204.22.30		
	6206.30.20	384.5276	6217.90.00
	6206.30.30		
		384.5504	6206.30.20
384.0511	6206.30.30		6206.30.30
384.0512	6206.30.30	384.7804	6206.30.30
	6209.20.20	384.9519	6206.30.30
	6206.30.30	WOOL	
384.0515	6206.30.30		
384.0516	6206.30.30		
		384.1515	6205.10.20
384.0517	6206.30.30		6205.30.15
	6209.20.20		
		384.1520	6206.20.30
384.0570	6205.20.20		6206.40.25
	6209.20.20		
		384.2757	6206.20.20
384.0968	6217.90.00		6206.20.30
384.2745	6206.30.20	384.5534	6206.20.30
	6206.30.30		
		384.6505	6205.10.20
384.4505	6206.30.10		
		384.6515	6204.21.00
384.4602	6206.30.30		6206.20.30
	6206.30.30		
384.4603			6206.40.25
		384.7010	6205.10.20
384.4606	6206.30.30		
	6209.20.20	384.7020	6206.20.30
384.4608	6206.30.30		6202.40.25
		384.7824	6206.20.20
384.4610	6206.30.30		
		384.9642	6205.10.20
384.4612	6206.30.30		6206.20.30
	6209.20.20		
384.4614	6206.30.30		
384.4616	6206.30.30		
384.4618	6206.30.30		
	6209.20.20		
384.4620	6205.20.20		

Women's, girls', and infants' woven shirts and blouses—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
MANMADE FIBERS		OTHER—Con.	
384.2302	6206.40.30	384.7877	6206.10.00
384.2304	6206.40.30	384.7882	6206.10.00
384.2306	6204.23.00	384.9693	6206.90.00
384.2307	6206.40.30	384.2792	6206.10.00
384.2308	6209.30.10		6206.90.00
384.2311	6209.90.10		
384.2313	6206.40.30		
384.2315	6206.40.30	384.5687	6206.90.00
	6205.30.20		
384.2575	6209.30.10		
384.2769	6209.90.10		
	6217.90.00		
384.5564	6206.40.20		
384.7850	6206.40.30		
384.9110	6206.40.30		
384.9115	6206.40.30		
384.9120	6206.40.30		
384.9125	6206.40.30		
384.9127	6205.30.20		
384.9129	6206.40.30		
	6209.30.10		
384.9474	6217.90.00		
384.9670	6206.40.30		
OTHER			
384.2785	6206.10.00		
	6206.90.00		

Coats and Jackets

The total value and U.S. content of item 807.00 imports of coats and jackets each rose by slightly more than 30 percent during 1984-87, somewhat higher than the growth of total imports of these goods. Consequently, the ratio of item 807.00 shipments to total imports increased slightly during the period, to 5.2 percent, as shown in table 4-11. The duty-free content averaged 59 percent of the total value of these item 807.00 imports, which is lower than for most other apparel articles, primarily because more direct labor is required to assemble coats and jackets. Both the nominal and effective rates of duty declined 12 percent to 23 percent and 9.4 percent, respectively, in 1987. Total duty savings increased to \$14 million in 1987.

Mexico and the Dominican Republic remained the major suppliers of coats and jackets

under item 807.00, increasing their combined share of the the duty-free content of item 807.00 imports from just under 50 percent in 1984 to almost 60 percent in 1987, as shown in table 4-12. The greatest increase was recorded by Costa Rica, whose duty-free shipments nearly tripled during the period, resulting in a doubling of its share of the duty-free content of item 807.00 imports to more than 18 percent in 1987. The relative importance of Colombia, which had been the third largest supplier as recently as 1985, declined significantly during 1984-87, as did that of Haiti and Honduras. Imports from the major item 807.00 suppliers were not subject to quotas or GAL's in 1987. Mexico's shipments were covered by DCL's in eight different coat categories, but only three of them were largely or entirely filled.

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Table 4-11

Coats and jackets: U.S. Imports for consumption, total and under TSUS Item 807.00, 1984-87

Year	Total Imports	807.00 Imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nomi-nal	Effec-tive	Million dollars
1984	1,614	77	4.8	46	59	26.0	10.7	11.8
1985	1,674	81	4.9	46	57	25.5	11.1	11.7
1986	1,756	88	5.0	55	63	24.6	9.1	13.6
1987	1,983	103	5.2	61	59	23.0	9.4	14.0
Percentage change								
Change, 1987 from 1984	23	33	8	34	1	(12)	(12)	19
Average annual change, 1987 from 1984	7	10	3	10	(¹)	(4)	(4)	6

¹ Less than 0.5 percent.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 4-12

Coats and jackets: Duty-free value of U.S. Imports for consumption under TSUS Item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Share of total duty-free value	
						1984	1987
		Million Dollars			Percent	Percent	
Mexico	12	18	18	20	77	25	34
Dominican Republic	11	8	13	15	45	23	25
Costa Rica	4	5	10	11	182	9	18
Colombia	10	7	7	7	(31)	21	11
Haiti	4	2	1	2	(52)	10	3
Jamaica	1	1	1	1	120	1	2
Honduras	2	1	2	1	(45)	4	2
Other	3	3	4	3	7	7	5
Total	46	46	55	61	34	100	100

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes a concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for men's and boys' suit-type coats and jackets:

TSUS item	HTS subheading	TSUS item	HTS subheading
COTTON		WOOL	
		381.1710	6203.31.00
			6203.33.10
791.7412	6203.32.20		6203.39.00
381.0205	6103.19.20	381.3526	6103.31.00
381.0210	6103.32.00	381.6618	6103.31.00
381.0507	6203.32.20	381.6934	6203.31.00
381.0509	6203.19.10	381.7525	6103.31.00
			6103.33.10
381.0600	6203.32.20		
		381.7810	6203.31.00
381.3511	6103.32.00		6203.33.10
			6203.39.10
381.3512	6103.32.00		
		381.8311	6203.31.00
381.3910	6103.19.20		6203.33.10
			6203.39.10
381.3915	6103.32.00		
		381.8312	6203.31.00
381.4400	6203.32.20		6203.33.10
			6203.39.10
381.4740	6203.32.20		
		381.8512	6103.31.00
381.4820	6203.32.20		
		381.8642	6203.31.00
381.4830	6203.32.20		
		381.9942	6103.31.00
381.6217	6203.32.20		6103.33.10
381.6219	6203.19.10	MANMADE FIBERS	
381.6602	6103.19.20	381.2310	6103.29.10
			6103.33.20
381.6603	6103.32.00		6103.39.10
381.6901	6203.19.10	381.3110	6203.33.20
			6203.39.20
381.6902	6203.32.10		
	6203.32.20	381.3552	6103.33.20
381.8502	6103.19.20		
381.8503	6103.32.00		
381.8622	6203.19.10		
381.8624	6203.32.20		
381.9920	6103.32.00		

Men's and boys' suit-type coats and jackets—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
MANMADE FIBERS—Con.			
381.6672	6103.33.20		
	6103.39.10		
381.6964	6203.33.20		
381.8522	6103.33.20		
381.8662	6203.12.20		
	6203.33.20		
381.8804	6103.33.20		
	6103.39.10		
381.8805	6103.33.20		
	6103.39.10		
381.9510	6203.33.20		
381.9515	6203.33.20		
381.9960	6103.33.20		
791.7459	6103.33.20		
791.7470	6203.33.20		
OTHER FIBERS			
381.3567	6103.39.20		
381.6691	6103.39.20		
381.6987	6203.39.40		
381.8560	6103.39.20		
381.8683	6203.39.40		
381.9978	6103.39.20		

The following list includes a concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for women's, girls', and infants' coats and jackets:

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
COTTON		COTTON—Con.	
376.5412	6202.92.15	384.0705	6204.32.20
	6213.30.20	384.0707	6204.12.00
	6210.50.20		
376.5430	6202.92.15	384.0708	6204.12.00
	6210.40.20	384.0709	6204.32.20
	6210.50.20		
384.0240	6112.11.00	384.0710	6204.32.20
		384.0924	6202.12.20
384.0241	6112.11.00		6202.92.20
384.0243	6112.11.00	384.0927	6202.12.20
384.0250	6104.12.00		6202.92.20
384.0252	6104.12.00	384.0970	6217.90.00
384.0254	6101.20.00	384.2702	6102.20.00
	6103.32.00	384.2746	6204.32.20
		384.2747	6204.12.00
384.0255	6102.20.00		
	6104.32.00	384.2748	6204.32.20
	6111.20.60		
384.0257	6102.20.00	384.2749	6204.32.10
	6104.32.00		6204.32.20
		384.2750	6202.12.20
384.0340	6117.90.00		6202.99.00
384.0423	6102.20.00	384.3007	6112.11.00
384.0424	6102.20.00	384.3008	6112.11.00
384.0520	6201.92.20	384.3010	6112.11.00
384.0521	6204.92.20	384.3011	6104.12.00
	6209.20.50		
384.3013	6104.12.00		
384.0522	6202.12.20	384.3013	6104.12.00
	6202.92.20		
	6204.32.20		
384.0645	6201.92.20		
	6202.92.20		
	6209.20.50		
	6211.42.00		
384.0646	6202.92.20		
	6211.42.00		
384.0702	6204.32.20		

Women's, girls', and infants' coats and jackets—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
COTTON		COTTON—Con.	
		384.3747	6202.12.20
		384.3751	6203.32.20
		384.3752	6204.32.20
384.3114	6102.20.00	384.3755	6204.32.20
	6104.22.00		
	6104.32.00	384.3756	6204.32.20
384.3116	6102.20.00	384.3757	6204.32.20
	6104.22.00		
	6104.32.00	384.3760	6204.32.20
384.3118	6101.20.00	384.3769	6202.12.20
	6103.22.00		6202.92.20
	6103.32.00		
		384.3770	6202.92.20
384.3121	6102.20.00		6202.12.20
	6111.20.60		
		384.3772	6201.12.20
384.3431	6102.20.00		6201.92.20
384.3433	6102.20.00	384.3774	6202.12.20
384.3464	6117.90.00	384.3775	6201.12.20
			6201.92.20
384.3500	6202.92.20		
	6209.20.50	384.3776	6202.92.20
384.3600	6202.92.20	384.3777	6202.92.20
384.3705	6202.12.20	384.3780	6202.12.20
			6202.92.20
384.3710	6202.12.20		
		384.3782	6201.92.20
384.3715	6202.12.20		
		384.3790	6202.12.20
384.3716	6202.12.20		6202.92.20
		6209.20.50	
384.3721	6202.12.20		
		384.4415	6202.92.20
384.3722	6202.12.20		6211.42.00
384.3724	6202.12.20	384.4416	6202.92.20
			6211.42.00
384.3732	6202.12.20		
	6209.20.30	384.4706	6204.32.20
384.3741	6201.12.20		
	6202.12.20		
384.3742	6202.12.20		
384.3745	6202.12.20		

Women's, girls', and infants' coats and jackets—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
WOOL—Con.		MANMADE FIBERS—Con.	
		376.5640	6202.93.45 6210.40.10 6210.50.10
		384.1902	6101.30.20
384.6200	6102.10.00 6102.30.10 6104.31.00 6104.33.10	384.1903	6101.30.20 6102.30.20 6111.30.50
384.6388	6117.90.00	384.1905	6102.30.20
384.6525	6201.11.00 6201.91.20 6201.93.25	384.1906	6112.12.00 6112.19.10
		384.1907	6111.30.50 6111.90.50 6112.12.00
384.6530	6202.11.00 6202.13.30 6202.91.20 6202.93.40 6204.31.20	384.1908	6112.12.00 6112.19.10
384.7205	6202.11.00 6202.13.30	384.1911	6101.30.20 6103.33.20
384.7215	6204.31.20 6204.33.40 6204.39.20	384.1912	6102.30.20 6104.23.00 6104.33.20 6111.30.50
384.7220	6202.11.00 6202.13.30 6202.91.20 6202.93.40	384.1914	6102.30.20 6104.23.00 6104.33.20 6104.39.10
384.7733	6102.10.00	384.2206	6102.30.20 6114.30.30
384.7825	6204.31.10	384.2208	6102.30.20 6114.30.30
384.7826	6202.11.00 6202.19.00 6202.91.20 6202.99.00	384.2265	6117.90.00
384.9634	6104.31.00 6204.31.20	384.2316	6202.13.40
384.9636	6102.10.00	384.2318	6202.13.40 6204.33.50 6211.20.50
MANMADE FIBERS			
376.5612	6202.93.45 6210.20.10 6210.50.10		

Women's, girls', and infants' coats and jackets—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
MANMADE FIBERS—Con.		MANMADE FIBERS—Con.	
		384.8201	6102.30.20
		384.8202	6102.30.20
		384.8203	6102.30.20
384.2321	6201.13.40	384.8204	6102.30.20
	6201.93.20		
	6201.93.35	384.8206	6112.12.00
	6203.33.20		6112.19.10
384.2323	6204.13.20	384.8207	6112.12.00
	6209.30.30		6112.19.10
384.2554	6202.93.20	384.8209	6103.33.20
	6209.90.30		6104.33.20
			6104.39.10
384.2556	6202.93.20		
	6209.90.30	384.8211	6103.33.20
			6104.33.20
384.2565	6217.90.00		6104.39.10
384.2604	6202.13.40	384.8213	6102.30.20
	6202.93.50		
		384.8214	6102.30.20
384.2605	6202.13.40		6104.23.00
	6202.93.50		6104.33.20
384.2717	6102.30.20	384.8217	6101.30.20
384.2770	6204.13.20	384.8219	6102.30.20
	6204.33.10		6111.30.50
	6204.33.20		
	6204.33.50	384.8670	6111.30.50
			6111.90.50
384.2771	6202.13.40		
	6202.93.50	384.8671	6104.23.00
	6204.23.00		6104.29.10
	6204.29.20		
		384.8681	6117.90.00
384.5483	6102.30.20		
		384.8805	6202.93.50
384.5565	6204.33.20		
	6204.33.50	384.9132	6201.13.40
			6201.93.35
384.5566	6202.13.40		6203.33.20
	6202.93.50		
		384.9135	6202.13.40
384.7753	6102.30.20		
		384.9136	6202.13.40
384.7859	6204.33.10		
384.7860	6202.13.40		
	6202.19.00		
	6202.93.50		
	6202.99.00		

Women's, girls', and infants' coats and jackets—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
MANMADE FIBERS—Con.		DOWN—Con.	
		748.4549	6202.92.10 6211.20.10
		748.4563	6202.93.10
		748.4565	6202.93.10 6211.20.10
384.9138	6202.13.40	748.4570	6202.93.10 6211.20.10
384.9140	6202.13.40		
384.9141	6202.13.40		
384.9144	6202.13.40	OTHER	
	6209.30.30	384.2729	6102.90.00
384.9145	6204.13.20	384.2789	6202.99.00 6204.39.40 6204.63.35
	6204.33.50		
384.9146	6204.13.20		
	6204.33.50	384.5325	6102.90.00 6104.29.20
384.9152	6202.13.40		
	6202.93.50	384.5690	6202.99.00 6204.19.30 6204.39.40
	6211.20.50		
384.9153	6202.93.50		
384.9154	6202.93.50	384.7778	6104.39.20
	6209.30.30		
384.9401	6202.13.40	384.7894	6204.39.40
	6202.93.50	384.9684	6104.39.20
384.9402	6202.13.40	384.9685	6102.90.00
	6202.93.50		
384.9464	6202.92.20		
384.9465	6202.92.20		
384.9475	6217.90.00		
384.9664	6104.33.20		
384.9666	6102.30.20		
791.7461	6102.30.05		
	6104.33.20		
791.7473	6204.33.50		
DOWN			
748.4545	6202.92.10		
748.4547	6202.92.10		

The following list includes a concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for men's and boys' coats and jackets (except suit-type):

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
COTTON		COTTON—Con.	
376.5408	6210.20.20	381.4520	6201.12.20
	6201.92.15		6201.92.20
376.5425	6201.92.15	381.4600	6201.92.20
	6210.40.20		
	6210.50.20	381.4715	6201.12.20
381.0211	6101.20.00	381.4770	6201.12.20
	6112.11.00		6201.92.20
			6203.22.30
381.0212	6101.20.00		
		381.4810	6201.12.20
381.0256	6101.20.00		
	6114.20.00	381.4850	6201.12.20
			6201.92.20
381.0418	6101.20.00		
		381.4860	6201.12.20
381.0427	6117.90.00		6201.92.20
381.0515	6201.12.20	381.5910	6201.92.20
	6201.92.20		6203.22.30
381.0552	6201.92.20	381.6505	6201.12.20
	6211.32.00		6201.92.20
381.0827	6201.12.20	381.6546	6217.90.00
	6201.92.20		
		381.6604	6101.20.00
381.0838	6217.90.00		
		381.6903	6201.12.20
381.3514	6101.20.00		6201.92.20
381.3905	6101.20.00	381.8504	6101.20.00
	6112.11.00		
		381.8626	6201.12.20
381.3915	6103.32.00		6201.92.20
381.3925	6101.20.00	381.9922	6101.20.00
381.3947	6101.20.00	791.7413	6201.92.20
	6110.20.20		
		WOOL	
381.4332	6101.20.00		
		381.1310	6101.10.00
381.4341	6117.90.00		6101.30.15
381.4510	6201.12.20	381.1537	6117.90.00

Men's and boys' coats and jackets (except suit-type)—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
WOOL—Con.		MANMADE FIBERS—Con.	
		376.5635	6201.93.30 6210.40.10 6210.50.10
		381.2315	6101.30.20 6112.12.00
381.1720	6201.11.00 6201.13.30 6201.91.20 6210.93.25	381.2325	6101.30.20
381.2017	6217.90.00	381.2835	6101.30.20
381.3527	6101.10.00	381.2857	6117.90.00
		381.3120	6201.13.40 6201.93.35 6211.20.15
381.6620	6101.10.00		6201.13.40 6201.93.35
381.6936	6201.11.00	381.3323	
381.6937	6201.91.20		
381.7120	6101.10.00 6101.30.15 6103.31.00 6103.33.10	381.3331	6201.93.35
		381.3341	6217.90.00
381.7535	6101.10.00 6101.30.15	381.3551	6101.30.20 6112.12.00
381.7643	6117.90.00	381.3554	6101.30.20
		381.6671	6101.30.20 6112.12.00 6112.19.10
381.7820	6201.11.00 6201.13.10 6201.91.20 6201.93.25	381.6673	6101.30.20
		381.6968	6201.93.35
381.8315	6201.11.00 6201.13.30	381.8523	6101.30.20
381.8318	6201.91.20 6201.93.25	381.8664	6201.13.40 6201.93.35
381.8416	6217.90.00	381.8706	6101.30.20 6112.12.00
381.8513	6101.10.00		
381.8644	6201.11.00 6201.91.20	381.8808	6101.30.20
381.9944	6101.10.00 6101.30.15	381.8811	6101.30.20
		381.9222	6101.30.20
MANMADE FIBERS			
376.5609	6201.93.30 6210.40.10		

Men's and boys' coats and jackets (except suit-type)—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
MANMADE FIBERS—Con.	OTHER—Con.	OTHER—Con.	OTHER —Con.
381.9223	6101.30.20		
381.9232	6117.90.00		
381.9505	6201.13.40		
381.9520	6201.13.40		
381.9525	6201.93.35		
381.9530	6201.13.40		
	6201.93.35		
	6211.20.20		
381.9836	6201.93.20		
381.9838	6201.13.40		
	6201.93.35		
381.9842	6217.90.00		
381.9962	6101.30.20		
791.7460	6101.30.10		
791.7471	6201.93.35		
DOWN			
748.4541	6201.92.10		
748.4543	6201.92.10		
748.4553	6201.93.10		
	6211.20.10		
748.4555	6201.93.10		
	6211.20.10		
OTHER			
381.3568	6101.90.00		
381.6692	6101.90.00		
381.6989	6201.19.00		
	6201.99.00		
381.8566	6101.90.00		

Chapter 5

Imports Under TSUS Item 807.00: Other Manufactured Articles

U.S. imports of other manufactured articles increased by only 4 percent during 1984-87, from \$176 billion to \$182 billion. Other manufactured articles include a much wider spectrum of products than the other two major overview groups—machinery and equipment, and textiles and apparel. The ratio of item 807.00 imports to total imports for other manufactured articles was much smaller than for the other two major groups, totaling about 1 percent in 1987, up slightly from 0.5 percent in 1984 (table 5-1).

Imports of other manufactured articles entering under TSUS item 807.00 increased by 127 percent during 1984-87, from \$927 million to \$2.1 billion. These imports rose sharply between 1986 and 1987, from \$1.4 billion to \$2.1 billion, because importers entered goods under item 807.00 to circumvent the Customs User Fee. For example, the greatest level of growth occurred in item 807.00 imports of furniture, most of which was for motor-vehicle use and qualified for duty-free status under Automotive Products Trade Act of 1965 (APTA). Furniture imports under item 807.00 increased 519 percent during 1984-87, to \$422 million.

Imports of other manufactured articles entering under TSUS item 807.00 can be found throughout six of the schedules of the TSUS, but are concentrated in schedule 7 (Specified Products; Miscellaneous and Nonenumerated Products), schedule 5 (Nonmetallic Minerals and Products), and schedule 2 (Wood and Paper). In 1987, imports of these products under item 807.00 were composed chiefly of: furniture (primarily automotive seats) at \$422 million; minerals and metals (e.g., locks, handtools, wire, and chain) at \$396 million; scientific instruments at \$291 million; surgical instruments at \$195 million; disposable paper garments at \$138 million; and jewelry at \$67 million.

Although, in general, the ratio of item 807.00 imports to total imports for the other manufactured articles group was low, certain subgroups had a substantially higher ratio. About 90 percent of all disposable paper garment imports entered under item 807.00. The ratio of item 807.00 imports to total imports for scientific instruments, furniture, and surgical instruments was 13 percent, 9 percent, and 8 percent, respectively. However, for the remaining two subgroupings within other manufactured articles, the ratio of item 807.00 imports to total imports did not exceed 2 percent.

Imports under item 807.00 also more than doubled during 1984-87 in terms of the duty-free content, from \$420 million to \$898 million. The share of item 807.00 imports of other manufactured articles accounted for by U.S.-made components was fairly stable during 1984-87, averaging 44 percent annually. In 1987, item 807.00 imports of jewelry and disposable paper garments had the highest level of duty-free content, 94 percent and 81 percent, respectively. Furniture had the lowest level of duty-free content, only 28 percent in 1987. The duty savings, by major subgroup, ranged from \$2 million (furniture) to \$6 million (disposable paper garments) in 1987.

Mexico supplied 45 percent (\$942 million) and Canada, 30 percent (\$639 million) of all U.S. imports entering under item 807.00 for this grouping in 1987. Mexico and Canada were the major suppliers for all of the major subgroupings within this section with two exceptions. The Dominican Republic and Haiti supplied 50 percent and 34 percent, respectively, of jewelry imports under item 807.00; the United Kingdom was the second leading source of surgical instruments. Mexico was by far the dominant beneficiary of the duty-free provision of item 807.00 throughout the period. In 1987, Mexico accounted for 63 percent of the value of U.S. components assembled into the other manufactured goods imported under item 807.00 (table 5-2). Canada was the second leading supplier at 15 percent, followed by Haiti with 5 percent.

Table 5-1

Other manufactured articles: U.S. imports for consumption, total and under TSUS item 807.00, 1984-87

Year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nomi- nal	Effec- tive	Million dollars
1984	175,846	927	0.5	420	45	7.1	4.7	30
1985	174,091	1,305	0.7	544	42	7.1	4.3	39
1986	169,592	1,396	0.8	657	47	6.3	3.8	41
1987	182,340	2,100	1.2	898	43	5.0	3.3	45
<hr/>								
Percentage change								
Change, 1987 from 1984	4	127	140	114	(4)	(29)	(29)	52
Average annual change, 1987 from 1984	1	31	34	29	(2)	(11)	(11)	15

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 5-2

Other manufactured articles: Duty-free U.S. imports for consumption under TSUS item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Share of total duty-free value	
	Million Dollars				Percent	1984	1987
Mexico	283	335	419	567	101	67	63
Canada	36	49	53	128	259	9	14
Haiti	31	27	27	44	41	7	5
Dominican Republic ...	13	19	34	33	154	3	4
United Kingdom	15	19	19	30	101	4	3
Netherlands	6	9	17	22	281	1	2
Philippines	2	6	12	19	871	(¹)	2
Japan	3	5	34	9	246	1	1
West Germany	6	4	3	4	(44)	1	(¹)
Sweden	1	15	13	1	(7)	(¹)	(¹)
All other	24	56(²)	26	41	71	6	5
Total	420	544	657	898	114	100	100

¹ Less than 0.5 percent.

² In 1985, the Republic of Korea supplied an unusually high level of duty-free item 807 imports amounting to \$33 million.

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Minerals and Metals

U.S. imports of minerals and metals fluctuated during 1984-87, averaging \$39.2 billion; however, imports of these goods under TSUS item 807.00 rose steadily to \$396 million. Yet, the ratio of imports under item 807.00 to total imports was 1 percent or less throughout the reporting period, as shown in table 5-3.

The duty-free content of imports entered under item 807.00 rose to \$163 million during 1984-87, or by 314 percent. The ratio of duty-free content to total value of item 807.00 imports averaged 41 percent during the period. The nominal rate of duty for these products decreased from 6.9 percent in 1984 to 3.5 percent in 1987; similarly, the effective rate of duty decreased from 3.9 percent to 2.4 percent. The total duty savings resulting from item 807.00 also fluctuated during 1984-87, totaling \$5.7 million in 1987, as shown in table 5-3.

The principal commodity groups imported under item 807.00 during 1984-87 were metallic containers; locks and padlocks; handtools; structures of base metal; nonelectric heating and cooking apparatus, except cast-iron stoves; and miscellaneous metals such as wire and chains. The principal sources of these imports throughout the period were Mexico and Canada, accounting

for 75 percent and 12 percent, respectively, of the total in 1987, in terms of duty-free content (table 5-4). Assembly operations in Mexico accounted for 76 percent of the increase in item 807.00 imports during 1984-87 as measured by the value of the U.S.-made components, from \$27 million to \$121 million. Typically, U.S. companies encountering stiff competition from Far Eastern suppliers seek to reduce their production costs by moving such labor-intensive activities as polishing, grinding, and welding to Mexico where wage rates are relatively low.

Although U.S. imports under CBERA and GSP were essentially irrelevant for the minerals and metals commodity group during 1984-87, a small but growing number of firms with metal assembly facilities in Mexico are performing production activities, purchasing raw materials, and raising the wages of their workers sufficient to meet the 35 percent value added in Mexico required to qualify for duty-free treatment under the GSP. Use of the GSP for these firms is a preferable alternative to item 807.00 because the entire value of the imported article can enter free of duty under the GSP rather than just the value of the U.S.-made components as under item 807.00.

Contact Linda White at 252-1427

Table 5-3

Minerals and metals: U.S. imports for consumption, total and under TSUS item 807.00, 1984-87

Year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nomi- nal	Effec- tive	Million dollars
1984	38,726	97	0.3	39	41	6.9	3.9	2.7
1985	37,562	196	0.5	78	40	6.2	3.7	4.8
1986	41,218	259	0.6	110	42	5.7	3.4	6.3
1987	39,127	396	1.0	163	41	3.5	2.4	5.7
Percentage change								
Change, 1987 from 1984	1	308	233	314	1	(49)	(38)	55
Average annual change, 1987 from 1984	(¹)	60	49	61	(¹)	(20)	(15)	16

¹ Less than 0.5 percent.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 5-4

Minerals and metals: Duty-free U.S. imports for consumption under TSUS Item 807.00, by principal sources, 1984-87.

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Share of total duty-free value	
						1984	1987
		Million Dollars			Percent	Percent	
Mexico	27	29	62	121	357	67	75
Canada	10	14	17	20	104	26	12
All other	3	35	31	21	621	7	13
Total	39	78	110	163	314	100	100

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list, includes TSUS items and the Harmonized Tariff Schedule subheadings for minerals and metals:

TSUS item	HTS subheading	TSUS item	HTS subheading
511.65	6810.19.50	535.31-Con.	6911.90.00
	6810.99.00		6912.00.50
516.94	6814.10.00	540.43	7002.20.50
	6814.90.00		7002.32.00
517.81	3801.10.10	540.71	7019.31.00
	8545.20.00		7019.39.50
			7019.90.50
517.91	3801.90.00		
	6815.10.00	544.31	7007.11.00
	8545.19.40		7007.19.00
	8545.90.40		
		544.41	7007.21.10
518.21	6812.10.00		7007.21.50
	6812.40.00		
	6812.50.50	544.51	7009.10.00
	6812.70.00		7009.91.10
	6813.90.00		7009.92.10
519.51	6805.10.00	544.52	7009.10.00
	6805.30.10		7009.91.50
			7009.92.50
519.86	6804.22.40		
		544.54	7009.10.00
520.51	7103.10.40		7009.91.50
	7103.91.00		7009.92.50
	7116.20.50		
		544.61	7009.00.00
534.11	6913.10.10		
	6913.90.10	545.17	7010.90.30
534.91	6911.90.00	545.53	9405.91.20
	6913.10.20		
		545.57	9405.91.60
535.11	8546.20.00		7112.90.00
535.12	8504.90.00	545.67	7014.00.50
	8505.19.00		
	8529.90.35	547.37	7011.10.50
			7011.90.00
535.14	8546.20.00		
	8547.10.80	548.05	7010.90.20
			7010.90.30
535.31	6910.10.00		7018.90.50
	6910.90.00		7020.00.00

Women's, girls', and infants' coats and jackets—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
COTTON—Con.		WOOL	
		384.1205	6102.10.00 6102.30.10 6104.31.00 6104.33.10
384.4707	6204.32.00	384.1220	6102.10.00 6102.30.10 6104.31.00 6104.33.10
384.4711	6204.12.00		
384.4712	6204.12.00		
384.4714	6204.32.00	384.1330	6117.90.00
384.4716	6204.32.00	384.1560	6201.11.00 6201.13.30 6201.91.20
384.5201	6202.12.20 6202.92.20	384.1580	6202.11.00 6202.13.10 6204.31.20 6204.33.40 6204.39.20
384.5202	6202.12.20 6202.92.20		
384.5277	6217.90.00		
384.5424	6102.20.00	384.2708	6102.10.00 6104.31.00
384.5506	6204.32.10	384.2754	6204.31.10 6204.31.20
384.5507	6204.12.00		
384.5509	6204.32.10	384.2755	6202.11.00 6202.91.20
384.5510	6204.32.10 6204.32.20	384.5453	6102.10.00
		384.5547	6204.31.20
384.5511	6202.12.20 6202.19.00 6202.92.20 6202.99.00	384.5548	6202.11.00 6202.91.20
		384.5710	6101.10.00
384.7706	6102.20.00		
384.7817	6204.12.00	384.5715	6102.10.00 6102.30.10 6111.10.00
384.7819	6204.12.00		
384.7820	6204.32.00	384.5800	6102.10.00 6102.30.10
384.7821	6202.12.20 6202.19.00 6202.92.20 6202.99.00	384.5934	6117.90.00
384.9508	6102.20.00		
791.7415	6204.32.20		

Minerals and metals—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
605.70	7112.10.00	640.10	7311.00.00
	7112.90.00		7613.00.00
608.13	7210.31.00	640.30	7310.10.00
	7210.49.00		7310.29.00
	7210.60.00		7612.90.50
	7210.70.60		8609.00.00
	7210.90.90	640.35	7309.00.00
	7212.21.00		7611.00.00
	7212.29.00		
	7212.30.50	642.18	7412.10.90
	7212.40.50		7613.00.50
	7212.50.00		7614.10.10
			7614.90.10
608.32	7305.11.10		
	7305.12.10	642.20	7312.10.05
	7305.19.10		7312.10.20
	7305.31.40		7312.10.50
	7305.39.10		7312.10.70
	7305.90.10		7312.90.00
	7306.10.10		7413.00.90
	7306.20.60		7614.10.50
	7306.30.50		7614.90.50
	7306.90.10		
		642.45	7314.19.00
610.49	7304.10.10		
	7304.20.50	646.20	8305.20.00
	7304.20.70		
	7304.31.60	646.26	7317.00.55
	7304.39.00		
	7304.90.50	646.45	8302.42.30
	7306.30.10		
	7306.60.50	646.47	8302.42.30
610.84	7307.91.50	646.54	7318.15.20
	7307.21.50		
		646.80	8301.10.20
610.93	7307.91.50		
	7307.92.30	646.89	8301.30.00
	7307.99.50		
		646.90	8301.40.30
613.18	7412.20.00		8301.50.00
618.17	7604.10.10	646.92	8301.20.00
	7604.29.10		8301.30.00

Minerals and metals—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
646.92-Con.	8301.40.60	649.37	8205.70.00
	8301.60.00		
	8301.70.00	649.43	8207.11.00
			8207.12.30
646.95	8302.41.30		8207.30.30
	8302.60.30		8207.40.30
	8302.60.90		8207.50.20
			8207.60.00
647.01	8302.10.30		8207.70.30
	8302.30.30		8207.80.30
			8207.90.30
647.02	8302.10.30		
	8302.30.30	649.49	8207.12.60
			8207.30.60
647.03	8302.10.60		8207.50.80
	8302.41.60		8207.70.60
	8302.42.30		8207.80.60
	8302.49.60		8207.90.75
647.05	8302.10.90	650.15	8211.91.50
	8302.30.60		8211.92.20
	8302.41.90		8214.90.60
	8302.42.60		
	8302.49.80	650.21	7114.19.00
			8211.91.60
648.53	8201.30.00		8211.92.80
			8214.10.00
648.57	8201.30.00		8214.90.60
648.80	8203.20.40	650.71	8212.10.00
			8212.90.00
648.82	8203.20.40		
648.85	8203.20.60	651.27	8205.10.00
		651.37	8205.40.00
648.93	8203.30.00		
	8203.40.30	651.48	8203.40.30
			8203.40.60
649.11	8202.10.00		8205.51.30
			8205.59.55
649.23	8202.40.30		8205.99.50
649.24	8202.40.60	651.55	8205.51.75
			8205.59.80
649.33	8205.80.00		8215.91.90

Minerals and metals—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
651.55-Con.	8215.99.50	653.00-Con.	7308.20.00
651.75	7114.11.45		7308.90.90
	7114.11.70		7308.00.80
652.10	8307.10.60	653.01	7610.10.00
	8307.90.60		7610.90.00
652.15	7315.11.00		7907.10.00
	7315.19.00		9406.00.80
	7315.12.00		
652.35	7315.89.50	653.03	7326.90.90
652.65	8309.10.00	653.20	8303.00.00
652.70	8306.30.00	653.35	9405.20.40
	9701.10.00	653.37	9405.10.40
	9701.90.00		9405.40.40
	9702.00.00		9405.50.30
652.84	7320.10.00		9405.60.20
	7320.20.10		9405.99.20
652.85	7320.10.00		
	7320.20.10	653.39	7305.31.20
652.88	7320.20.50		7306.30.30
	7320.90.50		7306.40.60
	7416.00.00		7306.50.30
			8512.10.20
652.89	7320.20.50		8512.90.40
	7320.90.50		9405.10.60
	7416.00.00		9405.20.60
			9405.40.60
652.92	7308.30.50		9405.50.40
			9405.60.40
652.94	7301.20.10		9405.99.40
	7308.90.30	653.45	7321.11.10
652.96	7301.20.50		7321.12.00
	7308.90.60		7321.81.10
653.00	7304.00.00	653.48	7321.82.00
	7308.10.00		7321.13.00
			7322.90.00

Minerals and metals—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
653.52	7321.13.00	656.15	7114.11.70
	7321.81.50		7114.20.00
	7321.82.50		7115.90.20
	7321.83.00		
	7322.11.00	656.25	7326.90.60
	7322.90.00		7419.99.30
	7417.00.00		
	8403.90.00	657.09	7325.10.00
			8306.29.00
653.75	7323.99.30		8320.00.00
	7418.10.10		
		657.25	7325.91.00
653.90	7323.99.50		7325.99.50
			7326.19.00
653.96	7324.10.00		7326.20.00
	7324.21.50		7326.90.90
	7324.90.00		8305.10.00
			8306.29.00
654.00	7323.93.00		9010.90.80
	7323.99.90		9604.00.00
	7324.90.00		
	9604.00.00	657.30	7419.91.00
			7419.99.50
654.25	7418.10.20		
	7418.20.10	657.35	7419.91.00
	9604.00.00		7419.99.50
	9616.10.00		8302.50.00
			8306.29.00
654.45	7615.10.70		8310.00.00
	9604.00.00		8485.10.00
654.50	7615.10.90	657.40	7616.90.00
	7615.20.00		8302.50.00
			8306.29.00
654.55	7615.10.10		9006.91.00
			9007.91.80
654.60	7615.10.30		
		657.75	7806.00.00
			8309.90.00
654.65	7615.10.90		
	7615.20.00	657.90	8104.90.00
654.75	7907.90.30		

Minerals and metals—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
658.00	8101.99.00		
	8102.99.00		
	8103.90.00		
	8105.90.00		
	8107.90.00		
	8108.90.30		
	8109.90.00		
	8110.00.60		
	8112.19.00		
	8112.30.90		
	8112.40.60		
	8112.99.00		
	8113.00.00		

Furniture

U.S. imports of furniture and parts increased 80 percent during 1984-87, to \$4.5 billion. During the period, imports of these products under TSUS item 807.00 grew by 519 percent, to \$422 million. The ratio of imports under item 807.00 to total imports remained stable between 1984 and 1986 at 3 to 4 percent, and then increased to 9 percent in 1987 (table 5-5).

The duty-free content of imports entered under item 807.00 increased to \$36 million in 1986, an average annual rate of growth of 56 percent during the 3-year period. Between 1986 and 1987, such imports more than tripled, rising to \$117 million. The ratio of duty-free content to total value of imports under this provision showed an overall increase during the 4-year period, rising to 28 percent in 1987, as shown in table 5-5.

Item 807.00 is used most often by producers of furniture designed for motor-vehicle use (mainly seats); generally, manufacturers of household, business, and institutional furniture do not use item 807.00. Between 1984 and 1986, over 90 percent of all furniture imports under item 807.00 were from Mexico, continuing the trend of previous years. U.S. automotive manufacturers have located plants along the Mexican border to take advantage of the lower Mexican labor rates. Because the production of automotive seats is labor intensive, it is to the advantage of U.S. companies to send the parts, which are more capital intensive, to Mexico for final assembly and importation to the United States.

In 1987, Mexico accounted for just under 40 percent of the U.S.-origin content total furniture imports under item 807.00 and Canada accounted for just under 60 percent (table 5-6).

Virtually all of the imports from Canada consisted of furniture and parts designed for motor-vehicle use that qualify for duty-free treatment under the APTA. The sudden increase in furniture imports from Canada under item 807.00 is the result of Canadian exporters entering automotive furniture and parts under item 807.00 in order to avoid paying the new Customs User Fee.

The ratio of duty-free imports to total imports under item 807.00 increased from 22 percent to 28 percent during 1986-87 largely because of the entry of APTA imports under item 807.00 and the decrease in Mexican labor costs. The use of item 807.00 in conjunction with APTA affected the nominal and effective rates of duty, which declined to 1.3 and 1.0 percent, respectively, in 1987, after remaining relatively stable during 1984-86. Although item 807.00 imports increased by 162 percent during 1986-87, duty savings increased by only 38 percent, reflecting the reduced nominal rate of duty because of the volume of item 807.00 imports receiving APTA treatment (table 5-5).

Most articles of furniture were eligible for duty-free treatment under the GSP (exceptions include waterbed mattresses and liners and mattresses of cotton) with approximately \$704 million entering under this provision in 1987. During 1984-87, imports entering under the GSP increased at an annual rate of around 6 percent. During the same period, goods entering under item 807.00 increased at an average annual rate of 84 percent, with the duty-free portion increasing 99 percent. Although Taiwan was the leading supplier of goods eligible for duty-free treatment under the GSP through 1986, the country became ineligible for such treatment under many tariff items in 1987, thus allowing Mexico to become the top supplier of furniture under the GSP.

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Table 5-5

Furniture and parts: U.S. Imports for consumption, total and under TSUS Item 807.00, 1984-87

Year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nomi- nal	Effec- tive	1,000 dollars
1984	2,529	68	3	15	22	3.8	2.9	553
1985	3,332	102	3	18	18	3.4	2.8	596
1986	4,067	161	4	36	22	3.1	2.4	1,130
1987	4,540	422	9	117	28	1.3	1.0	1,556
Percentage change								
Change, 1987 from 1984	80	519	200	691	27	(66)	(66)	181
Average annual change, 1987 from 1984	22	84	44	99	8	(30)	(30)	41

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 5-6

Furniture and parts: Duty-free U.S. Imports for consumption under TSUS Item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Share of total duty-free value	
						1984	1987
		1,000 Dollars			Percent	Percent	
Canada	895	815	2,787	70,230	7,747	6	60
Mexico	13,767	16,607	33,198	46,336	237	93	40
All other	109	116	166	289	165	1	(¹)
Total	14,771	17,538	36,151	116,855	691	100	100

¹ Less than 0.5 percent.

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce

The following list includes a concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for furniture and parts:

TSUS item	HTS subheading	TSUS item	HTS subheading
727.0200	9402.10.00	727.4700-Con.	9401.80.20
			9401.90.35
727.0600	9401.20.00		9403.90.70
	9401.90.10		9403.90.40
	9403.90.10	727.4900	9401.10.10
727.0700	9401.20.00	727.5300	3926.90.77
	9401.90.10		
	9403.20.00	727.5900	9401.10.80
	9403.60.80		9401.30.80
	9403.70.40		
	9403.70.80		9401.80.45
	9403.80.60		9401.90.35
	9403.90.10		9403.80.60
			9403.90.50
727.2900	9401.30.40		
	9401.61.40	727.6500	9401.80.50
	9401.69.60		9403.20.00
			9401.90.80
727.3525	9403.30.80		
	9403.60.80	727.7040	9404.10.00
727.3535	9403.30.80	727.7045	9403.10.00
	9403.40.90		9403.20.00
	9403.60.80		
		727.7055	9403.10.00
727.3555	9403.30.80		9403.20.00
	9403.40.90		
	9403.60.80	727.7065	9403.10.00
			9403.20.00
727.3590	9401.61.60		
	9401.69.80	727.7075	9403.10.00
	9403.30.80		9403.20.00
	9403.40.90		
	9403.60.80	727.7080	9401.10.40
			9401.10.80
727.4040	9401.90.40		9401.30.80
	9403.90.70		9401.71.00
			9401.79.00
727.4140	9403.90.70		9401.80.60
			9401.90.50
727.4540	9401.90.50		9403.80.60
	9403.80.60		9403.90.80

Furniture and parts—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
727.4700	9401.30.80	727.8200	9404.29.10
			9404.90.10
		727.8610	9404.90.20
		727.8650	9404.90.20
			9404.90.90

Scientific Instruments

U.S. imports of scientific instruments and parts increased by 69 percent during 1984-87, from \$1.3 billion to \$2.2 billion. During the same period, U.S. imports of these products under TSUS item 807.00 grew by 113 percent to \$291 million. The ratio of U.S. imports under item 807.00 to total imports rose from 10 percent in 1984 to 13 percent in 1987, as shown in table 5-7.

The duty-free content of U.S. imports entering under item 807.00 during 1984-87 rose to \$115 million, or by 62 percent. During the period, however, the ratio of duty-free content of item 807.00 imports to total value of imports under item 807.00 fell from 52 percent to 39 percent.

The trade-weighted nominal rate of duty dropped from 6.1 percent ad valorem in 1984 to 3 percent ad valorem in 1987. The trade-weighted effective duty rate slipped from 2.9 percent ad valorem in 1984 to 2 percent ad valorem in 1987. Similarly, the total duty savings fell from \$4.4 million in 1984 to \$2.9 million in 1987.

Mexico was the largest source of imports under item 807.00 in 1987 in terms of U.S. content, accounting for 76 percent of such imports under this provision, followed by Canada, with 11 percent, and the United Kingdom, with 4 percent of the total, as shown in table 5-8.

Item 807.00 is used by U.S. instrument manufacturers for various reasons. For the most part, U.S. producers take advantage of this provision to lower production costs of certain manufacturing processes requiring labor-intensive operations. These operations are performed primarily in countries with a relatively low-wage-rate labor force. Many of the facilities in these countries are U.S. affiliates or subsidiaries of U.S. instrument manufacturers. The work performed in Canada and other

developed countries under item 807.00 is carried out primarily by related parties; related party transactions account for about 90 percent of the total value of U.S. imports under this provision.

The duty-free content of scientific instruments of item 807.00 imports from developing countries is generally higher than those from developed countries; in 1987, the duty-free content of imports from Haiti and Mexico accounted for 87 and 68 percent, respectively, of the total value of item 807.00 imports from these countries. However, the duty-free content of imports from developed countries such as the United Kingdom, Canada, and Japan amounted to 28, 14, and 10 percent, respectively, of the total from each country.

In 1987, the bulk of the articles imported under item 807.00 were apparatus for measuring, checking, or automatically controlling variables of liquids or gases, or automatically controlling temperature, and parts (38 percent of item 807.00 imports); instruments and apparatus for measuring or checking electrical quantities, and parts (13 percent); and tachometers and miscellaneous speedometers (8 percent).

During 1984-87, all scientific instruments and parts, except bicycle speedometers, were eligible articles under the GSP. Imports under GSP provisions amounted to \$259 million in 1987, and the largest suppliers were Taiwan, Israel, and Korea. Other duty-free imports were those entering under the Agreement on Trade in Civil Aircraft, which amounted to \$178 million in 1987; those entering under the APTA, reached \$96 million in 1987; and those under the U.S.-Israel Free Trade Area Implementation Act of 1985, reached \$31 million in 1987. Duty-free imports under the Caribbean Basin Economic Recovery Act accounted for less than 1 percent of total U.S. imports in 1987. Total duty-free imports amounted to \$564 million in 1987, or 26 percent of total U.S. imports.

Contact Ruben Moller at 252-1495

Table 5-7

Scientific Instruments: U.S. imports for consumption, total and under TSUS item 807.00, 1984-87

Year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nomi- nal	Effec- tive	Million dollars
1984	1,305	137	10	71	52	6.1	2.9	4
1985	1,545	148	10	76	52	6.9	3.3	5
1986	1,850	151	8	86	57	5.9	2.5	5
1987	2,199	291	13	115	39	3.0	2.0	3
Percentage change								
Change, 1987 from 1984	69	113	30	62	(24)	(51)	(31)	(34)
Average annual change, 1987 from 1984	19	29	9	17	(9)	(21)	(12)	(13)

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 5-8

Scientific Instruments: Duty-free U.S. imports for consumption under TSUS Item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content; 1987 from 1984	Share of total duty-free value	
					1984	1987	
	1,000 Dollars				Percent	Percent	
Mexico	55,696	62,346	70,272	86,963	56	79	76
Canada	3,465	3,160	3,895	15,263	340	5	13
United Kingdom	6,107	5,962	3,582	4,728	(23)	9	4
Netherlands	4,684	3,181	2,171	2,293	(51)	7	2
Japan	211	357	2,111	2,374	1,025	(1)	2
Haiti	1	94	1,143	1,773	177,200	(1)	2
Switzerland	55	129	17	351	538	(1)	(1)
Singapore	36	500	1,558	263	631	(1)	(1)
All other	577	639	722	650	13	1	1
Total	70,832	76,368	85,471	114,658	62	100	100

¹ Less than 0.5 percent.

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes a concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for scientific instruments:

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
710.04	9015.40.80	710.31-Con.	9014.90.60
	9015.90.00		9014.20.40
710.06	9015.10.80		
710.08	9014.10.10	710.34	9015.80.60
	9014.20.20		9015.90.00
	9014.80.10		
	9014.90.60	710.36	9015.80.60
	9015.10.80		9015.90.00
	9015.20.80		
	9015.30.80	710.40	9015.20.80
	9015.80.20		9015.30.80
	9015.90.00		9015.80.80
	9033.00.00		9015.90.00
710.09	9014.10.10	710.42	9015.20.80
	9014.20.20		9015.30.80
	9014.90.60		9015.80.80
			9015.90.00
710.12	9014.10.90		
	9014.90.60	710.46	9014.20.80
710.14	9014.10.60		9014.80.20
	9014.90.60		9014.80.50
			9014.90.20
710.15	9014.10.60		9014.90.40
	9014.10.90		9014.90.60
	9014.90.60	710.47	9014.20.80
			9014.90.10
710.16	9014.10.90		9014.90.60
	9014.90.60		
		710.50	9014.88.80
710.17	9014.90.60		9014.90.00
710.20	9014.80.20	711.04	9016.00.40
710.21	9014.90.60	711.80	8423.90.00
			9016.00.60
710.26	9015.80.80		
		711.25	9024.10.00
710.27	9015.90.00		9024.80.00
			9024.90.00
710.30	9014.20.40		
	9014.80.50	711.30	9025.80.20
	9014.90.60		

Scientific instruments—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
711.31	9025.11.00	711.79	9026.10.60
			9026.20.80
711.32	9025.11.00		9026.80.60
			9026.90.60
711.33	9025.11.00		9026.10.00
			9032.10.00
711.38	9025.19.00		9032.20.00
			9032.81.00
711.39	9025.19.00		9032.89.60
			9032.90.60
711.40	9025.80.30		9033.00.00
711.42	9025.80.30	711.81	9032.10.60
			9026.20.80
711.45	9025.20.80		9026.80.60
			9032.10.00
711.47	9025.20.80		9032.20.00
			9032.81.00
711.49	9025.20.80		9032.89.60
711.55	9025.80.30	711.86	9027.10.40
			9027.30.80
711.60	9025.80.40		9027.50.80
			9027.90.60
711.67	9025.80.50		
		711.88	9027.10.60
711.75	9026.10.40		9027.20.80
	9026.80.40		9027.80.80
			9027.90.20
711.76	9026.10.40		9027.90.80
	9026.80.40		
		711.90	9029.10.40
711.77	9026.90.40		9029.90.20
711.78	9026.10.60	711.91	9029.10.40
	9026.20.80		9029.90.20
	9026.80.60		
	9026.90.60	711.93	9029.20.20
	9032.10.00		9029.90.40
	9032.20.00		
	9032.81.00	711.98	9029.20.40
	9032.89.00		9029.90.00
	9033.00.00		9029.10.00

Scientific instruments—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
712.00	9029.20.40	712.47	9014.20.40 9014.90.10
712.05	9014.10.10 9014.20.20 9014.80.10 9014.90.60 9015.10.40 9015.20.40 9015.30.40 9015.40.40 9015.80.20 9015.90.00 9025.19.00 9025.80.10 9025.90.00 9026.10.20 9026.20.40 9026.80.20 9026.90.20 9031.30.00 9031.40.00 9031.90.20 9031.90.40 9033.00.00	712.48 712.49	9014.20.40 9014.90.10 8471.10.00 8473.30.00 9014.10.60 9014.10.70 9014.20.60 9014.80.40 9014.90.60 9015.10.40 9015.20.40 9015.30.40 9015.40.40 9015.80.80 9015.90.00 9016.00.20 9017.10.00 9017.20.00 9017.90.00 9024.10.00 9024.80.00 9024.90.00 9025.19.00 9025.20.40 9025.80.10 9025.90.00 9026.10.20 9026.20.40 9026.80.20 9026.90.20 9027.10.20 9027.20.40 9027.30.40 9027.50.40 9027.80.40 9027.90.40 9030.20.00 9030.31.00 9030.39.00 9030.40.00 9030.81.00
712.06	9014.10.10 9014.20.20 9014.90.60 9015.10.40 9025.19.00 9026.10.20 9026.20.40 9026.80.20		
712.10	9014.80.20		
712.12	9014.90.60		
712.15	9030.10.00		
712.20	9015.80.60		
712.25	9015.80.80		
712.27	9015.90.00		

Scientific instruments—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
712.49—Con.	9030.89.00	712.52—Con.	9030.40.00
	9030.90.00		9030.81.00
	9031.10.00		9031.80.00
	9031.20.00		9031.89.00
	9031.80.00		9032.10.00
	9031.90.60		9032.20.00
	9032.10.00		9032.89.60
	9032.20.00		
	9032.89.60	713.05	9028.10.00
	9032.90.60		9028.20.00
	9033.00.00		9028.30.00
712.51	8471.10.00	713.07	9028.30.00
	9025.19.00		
	9025.90.00	713.09	9028.30.00
	9026.10.20		
	9026.20.40	713.11	9028.10.00
	9026.90.20		9028.20.00
	9030.20.00		
	9030.39.00	713.15	9028.90.00
	9030.40.00		
	9030.81.00	713.17	9028.20.60
	9030.89.00	713.19	9028.90.60
	9030.90.00		
	9031.80.00		
	9031.90.60		
	9032.10.00		
	9032.20.00		
	9032.89.00		
	9032.90.00		
	9033.00.00		
712.52	8471.10.00		
	9014.10.60		
	9014.10.70		
	9014.20.60		
	9014.90.60		
	9015.10.40		
	9025.19.00		
	9026.10.20		
	9026.20.40		
	9026.80.20		
	9030.20.00		
	9030.39.00		

Disposable Paper Garments and Other Articles

Total U.S. imports of disposable paper garments and other articles expanded 35 percent during 1984-87, from \$114 million to \$154 million. Imports of these articles under TSUS item 807.00 increased 43 percent during the period, from \$97 million to \$138 million (table 5-9). This increase exceeds the 27-percent rise in total imports for all lumber and paper products during the period.

The articles entering under TSUS item 807.00 are made from precut paper that is glued and/or sewn to form disposable hospital apparel, footwear, surgical hoods, nurse caps, hospital bed drapes, and other similar articles. Almost all of this precut paper is shipped from the United States to Mexico, where the articles are assembled; about 95 percent of the jobs

associated with these operations are in Mexico. In 1986, five U.S. companies operating assembly operations (maquiladoras) in Mexican border States accounted for over 90 percent of such imports. Mexico accounted for 99 percent of the duty-free content. U.S. imports of these articles under item 807.00 during 1984-87 (table 5-10).

The value of the duty-free content of item 807.00 imports averaged about 80 percent over the past 4 years. The nominal trade-weighted duty rate is 5.6 percent and has not changed since 1984. The effective trade-weighted duty rate has also remained at about 1.0 percent. The total duty savings resulting from imports under item 807.00 rose from less than \$5 million in 1984 to over \$6 million in 1987. This 42-percent increase directly corresponds to the increase in item 807.00 imports during the period.

Contact Rick Rhodes at 252-1322

Table 5-9

Disposable paper garments and other articles: U.S. imports for consumption, total and under TSUS item 807.00, 1984-87

Year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nomi- nal	Effec- tive	Million dollars
1984	114	97	85	80	82	5.6	1.0	5
1985	135	115	85	93	81	5.6	1.1	5
1986	139	118	84	94	80	5.6	1.1	5
1987	154	138	90	113	81	5.6	1.0	6
<hr/>								
Percentage change								
Change, 1987 from 1984	35	43	6	41	(1)	0	6	42
Average annual change, 1987 from 1984	11	13	2	12	(1)	0	2	12

¹ Less than 0.5 percent.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 5-10

Disposable paper garments and other articles: Duty-free U.S. imports for consumption under TSUS item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Share of total duty-free value	
						1984	1987
	Million Dollars				Percent	Percent	
Mexico	78.8	91.6	93.3	112.5	43	99	100
All other .....	.8	1.4	1.0	(¹)	(96)	1	(²)
Total	79.6	93.1	94.3	112.6	41	100	100

¹ Less than \$50,000.

² Less than 0.5 percent.

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes a concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for disposable paper garments and other articles:

TSUS item	HTS subheading	TSUS item	HTS subheading
256.87	4818.50.00		
	4823.90.65		

Surgical and Medical Instruments and Apparatus

During 1984-87, the value of U.S. imports of surgical and medical instruments rose from \$1.3 billion to \$2.3 billion, or by an average annual increase of 20 percent (table 5-11). Imports of these products under TSUS item 807.00 grew faster, increasing by an average annual rate of 36 percent during the period to \$195 million in 1987. Item 807.00 imports, by 1987, represented 8 percent of total imports of medical goods, up from 6 percent in 1984.

The duty-free content, or U.S.-manufactured portion of item 807.00 imports, rose from \$39 million in 1984, one-half of the value of all medical goods imported under item 807.00, to \$105 million in 1987, 54 percent of total 807.00 imports. The total duty savings of firms using item 807.00 in the importation of medical goods doubled from \$2 million in 1984 to \$4 million in 1987. The nominal rate averaged 4.9 percent annually during 1984-87; the effective rate averaged 3 percent.

Mexico was by far the largest source of imported medical goods under item 807.00 during 1984-87; the duty-free content of such imports from Mexico totaled \$85 million in 1987, 82 percent of the U.S.-origin content of all U.S. imports of medical apparatus and equipment imported under that provision of the TSUS (table 5-12). The United Kingdom, Canada, Japan, and West Germany accounted for the bulk of the remaining duty-free content of item 807.00 imports.

The types of medical products most frequently imported into the United States under item 807.00 during 1984-87 included medical, surgical, and veterinary instruments and parts not specifically provided for in the TSUS; electromedical apparatus and parts; artificial respiration, oxygen therapy and similar apparatus; bougies, catheters, drains and sondes; and x-ray apparatus and parts for medical and dental use.

In 1987, item 807.00 imports of these miscellaneous medical, surgical, and veterinary instruments not specifically provided for in the TSUS amounted to \$48 million, or 17 percent of total U.S. imports of medical products in that category. Total item 807.00 imports in 1984 amounted to \$3.5 million. The rapid increase in item 807.00 imports over the period was the result of the establishment of assembly operations in Mexico by a number of U.S. firms wishing to take advantage of lower labor costs and preferential tariff treatment afforded by item 807.00. Mexico was the source of 79 percent of item 807.00 imports of these products in 1987. The only other significant source of item 807.00 imports in 1987 was the United Kingdom, accounting for \$7.4 million, or 15 percent of total item 807.00 trade. These imports resulted primarily from related party transactions between

a U.S. firm and its United Kingdom subsidiary. The establishment of the Customs User Fee in late 1986 had little impact on the use of item 807.00 by importers of medical instruments and apparatus in 1987.

Imports of electromedical apparatus in 1987 under item 807.00 amounted to \$47 million, representing 8 percent of total U.S. imports under that category. West Germany was the largest source of item 807.00 imports of such apparatus, accounting for \$20 million, or 44 percent of such item 807.00 imports. The duty-free value of item 807.00 imports from West Germany amounted to less than \$2 million, or less than 10 percent of the total value of electromedical apparatus from that country. In contrast, 75 percent of the \$14 million value of item 807.00 imports of electromedical apparatus from Mexico, the second leading source, entered the United States free of duty.

Mexico was also the dominant source of item 807.00 imports of artificial respiration and oxygen therapy equipment (\$29 million) as well as bougies, catheters, drains, and sondes (\$27 million). Again, the primary impetus for such trade was the desire of U.S. producers to cut labor costs and to take advantage of the preferential tariff treatment afforded by item 807.00. Over 70 percent of the value of products in these segments imported under item 807.00 consisted of U.S.-made components.

Total item 807.00 imports of x-ray apparatus and parts for medical and dental use totaled \$23 million in 1987. That figure, however, accounted for only 2 percent of total U.S. imports of such apparatus. Japan was the leading source of 807.00 imports, accounting for 42 percent of such imports. The Netherlands and Spain were the second and third leading sources. Factors other than preferential tariff treatment under item 807.00 appear to have determined the trade in x-ray apparatus. Japanese and West European manufacturers of high-technology x-ray equipment still rely highly on securing certain critical components for their systems from the United States. Item 807.00 benefits accruing to the foreign suppliers of x-ray equipment to the U.S. market containing U.S. components appear to have been incidental.

All surgical and medical instruments and apparatus were eligible for GSP treatment during 1984-87. However, Mexico lost its GSP eligibility under TSUS item 709.09 for bougies, catheters, drains, and sondes on March 31, 1983, after exceeding the competitive-need limitations. Imports under the GSP were 12 percent of total U.S. imports of medical instruments and apparatus in 1987. Imports under the U.S.-Israel Free Trade Area Implementation Act of 1985, and under the CBERA accounted for less than 2 percent of total U.S. imports in 1987.

Contact Chris Johnson at 252-1488

Table 5-11

Surgical and medical instruments and apparatus: U.S. imports for consumption, total and under TSUS item 807.00, 1984-87

Year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nomi-nal	Effec-tive	Million dollars
1984	1,339	78	6	39	50	4.8	2.4	2
1985	1,596	116	7	57	49	4.3	2.2	2
1986	2,033	131	6	75	57	5.5	4.8	3
1987	2,299	195	8	105	54	4.8	2.6	4
Percentage change								
Change, 1987 from 1984	72	152	33	171	8	0	8	100
Average annual change, 1987 from 1984	20	36	10	39	3	0	3	26

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 5-12

Surgical and medical instruments and apparatus: Duty-free U.S. imports for consumption under TSUS Item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Share of total duty-free value	
						1984	1987
		1,000 Dollars			Percent		Percent
Mexico	29.7	43.7	64.0	85.4	187	77	82
United Kingdom	4.1	6.3	2.9	7.2	74	11	7
Canada .....	.7	1.1	2.1	3.1	318	2	3
Japan .....	.4	1.8	2.9	3.1	609	1	3
West Germany .....	.6	.9	.3	2.4	281	2	2
Netherlands .....	.3	.2	.1	1.3	286	1	1
Denmark .....	.7	1.0	1.5	.8	12	2	1
Other	1.9	1.9	1.4	1.4	(26)	5	1
Total	38.7	56.9	75.2	104.7	171	100	100

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes a concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for surgical and medical instruments and apparatus:

TSUS item	HTS subheading	TSUS item	HTS subheading
709.0100	9018.90.1000	709.1765	9018.19.8020
709.0300	9018.50.0000	709.1790	9018.11.0000
			9018.19.8000
709.0500	9018.50.0000		9018.20.0000
	9018.90.2000		9018.90.7080
			9018.90.4080
709.0600	9018.90.3000		9033.00.0000
709.0700	9018.90.8000	709.7700	9018.19.8040
			9018.20.0000
709.0920	9018.39.0020		9019.10.4000
709.0940	9018.39.0040	709.1790	9018.11.0080
			9018.19.8000
709.1000	9018.90.4000		9018.20.0000
			9018.90.7080
709.1120	9018.90.5040		9033.00.0000
709.1140	9018.90.5080	709.1900	9018.49.4000
709.1320	9018.31.2040	709.2100	9018.32.0000
	9018.31.6000		
		709.2320	9018.32.0000
709.1340	9018.31.2080		
	9018.31.6000	709.2340	9018.41.0000
			9018.49.8080
709.1520	9018.90.6000		
		709.2520	9018.49.8080
709.1540	9018.19.4000		
	9018.90.6000	709.2540	9018.41.0000
			9018.49.8080
709.1705	9021.50.0000		
		709.2700	9018.90.8000
709.1710	9018.90.7060		9019.10.6000
709.1715	9018.90.7020	709.4000	9019.10.2000
709.1720	9018.90.7060	709.4500	9019.20.0000
			9020.00.8000
709.1750	9018.11.0040		
		709.4600	9020.00.8000
709.1760	9018.19.8040		

Surgical and medical instruments and apparatus—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
709.5020	9021.40.0000	709.6320	9022.11.0000 9022.90.2000
709.5040	9021.90.4040	709.6340	9022.19.0000 9022.90.2000 9022.90.6000
709.5400	9021.21.4000 9021.29.4000	709.6620	9022.11.0000 9022.90.8000
709.5500	9021.21.8000 9021.29.8000	709.6640	9022.29.0000 9022.90.9000
709.5600	9021.11.0000 9021.19.4000	709.6660	9022.29.0000 9022.90.8000 9022.90.6000
709.5700	9021.19.8000 9021.30.0000		
709.6120	9022.30.0000		
709.6140	9022.90.4000		

Jewelry

U.S. imports of jewelry and parts increased by 62 percent during 1984-87, from \$1.8 billion to \$2.9 billion. Imports of these products under TSUS item 807.00 rose even faster during the period, more than tripling from \$20 million to \$68 million. The most significant share of item 807.00 imports of jewelry during the period was accounted for by precious metal products, particularly precious metal chain for use in jewelry, gold necklaces, and other precious metal jewelry. These articles together accounted for an average of 94 percent of total item 807.00 imports of jewelry during 1984-87. However, imports under item 807.00 compose only a small portion of total imports of jewelry, with the share rising from 1 percent to 2 percent during 1984-87 (table 5-13).

The duty-free content of U.S. imports of jewelry entering under item 807.00 rose steadily during 1984-87, from \$19 million to \$63 million. The ratio of the duty-free content to the total value of imports under item 807.00 was higher for jewelry than for any other product category, averaging 94 percent annually during 1984-87. This is indicative of both the high value of the U.S.-made parts of precious metal jewelry that are being assembled and the low cost of the labor in the Caribbean involved in the assembly.

The trade-weighted nominal duty rate decreased from 10.5 percent ad valorem in 1984 to 6.8 percent ad valorem in 1987. The trade-weighted effective duty rate declined

irregularly, from 0.6 percent in 1984 to 0.4 percent in 1987. Total duty savings rose from \$2 million to \$4 million during the period (table 5-13).

The Dominican Republic was the major supplier of imports under item 807.00 during the period, and accounted for 51 percent of the duty-free content of such imports in 1987. Haiti and Mexico were the next leading sources and accounted for 35 percent and 10 percent, respectively, of the duty-free content in 1987 (table 5-14).

U.S. jewelry producers use item 807.00 principally to lower costs for certain labor-intensive manufacturing processes involving the assembly of gold necklaces and other gold chain products such as bracelets. U.S.-made precious metal chain is sent to lower wage rate nations for cutting, attaching of clasps, and polishing operations. Most of the work is performed under contract by nonrelated firms. The production of chain products is relatively easy to expand or move, and the low-cost labor available in these and other nations makes investment in such operations attractive to U.S. jewelry firms.

In addition to item 807.00, jewelry and parts are also eligible for and are imported under provisions of the GSP, CBERA, and the U.S.-Israel Free Trade Agreement. Imports under these provisions totaled \$381 million, \$4 million, and \$18 million, respectively, in 1987.

Contact Richardo Witherspoon at 252-1489

Table 5-13

Jewelry: U.S. imports for consumption, total and under TSUS item 807.00, 1984-87

Year	Total imports	807.00 imports	Ratio of 807.00 imports to total imports	Duty-free value of 807.00 imports	Ratio of duty-free 807.00 to total 807.00	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nomi- nal	Effec- tive	Million dollars
1984	1,785	20	1	19	94	10.5	.6	2
1985	2,444	33	1	31	94	9.5	.7	3
1986	2,688	51	2	49	96	8.0	.3	4
1987	2,884	68	2	63	93	6.8	.4	4
Percentage change								
Change, 1987 from 1984	62	235	100	235	(1)	(35)	(33)	100
Average annual change, 1987 from 1984	17	50	26	50	(1)	(13)	(12)	26

¹ Less than (0.5) percent.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 5-14

Jewelry: Duty-free U.S. Imports for consumption under TSUS Item 807.00, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Share of total duty-free value	
						1984	1987
		Million Dollars			Percent	Percent	
Dominican Republic . . .	13	19	33	32	146	68	51
Haiti	2	6	11	22	1,000	11	35
Mexico	1	5	3	6	393	5	10
Hong Kong	(¹)	1	(¹)	1	55	(²)	2
All others	3	2	1	3	90	16	5
Total	19	33	48	64	162	100	100

¹ Less than \$500,000.² Less than 0.5 percent.

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes a concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for jewelry:

TSUS item	HTS subheading	TSUS item	HTS subheading
740.11	7113.19.21	740.38	7116.10.00
	7113.20.21		7117.11.00
			7117.19.50
740.13	7113.19.29		7117.90.50
	7113.20.29		9113.20.80
740.14	7113.19.29	740.70	7113.11.10
	7113.20.29		7113.19.10
			7113.20.10
740.14	7113.19.50		
	7113.20.50	741.06	7101.21.00
			7101.22.00
740.15	7116.10.00		
	7113.20.00	741.15	9601.90.40
740.30	7117.19.50	741.30	7018.10.50
	7117.90.40		8303.90.30
740.34	9102.11.20	741.35	3926.90.20
	9102.11.60		7018.10.20
	9102.12.00		
	9102.21.60	741.5040	3926.90.35
	9102.29.05		7018.90.50
	9102.29.15		
	9102.29.25		
	9102.29.35		
	9102.29.45		
740.35	9102.11.20		
	9102.11.60		
	9102.12.00		
	9102.19.20		
	9102.19.60		
	9102.29.05		
	9102.29.35		
	9102.29.45		
	9113.10.00		

Chapter 6

Trends In Imports Under TSUS Item 806.30

Imports under TSUS item 806.30 averaged \$445 million during 1984-86, then more than doubled to \$954 million in 1987 (table 6-1). This substantial increase in imports under item 806.30 was primarily due to importers of products entitled to MFN duty-free treatment entering goods under item 806.30 to avoid the Customs User Fee. Despite the sharp increase in use of item 806.30 in 1987, the ratio of item 806.30 imports to total imports amounted to less than 0.5 percent in each year during 1984-87.

The duty-free content of imports under item 806.30 increased by 34 percent during 1984-87, to \$416 million, and the ratio of the duty-free content to total value of imports under item 806.30 fell from 69 percent in 1984 to 44 percent in 1987 (table 6-2). This was partially attributable to a 31-percent decline in the duty-free content of imports of aluminum entering under item 806.30. On the other hand, the dutiable content of item 806.30 imports rose by 282 percent to \$538 million during 1984-87.

Aluminum, specifically wrought sheet for making cans, was the most significant product imported under item 806.30 during 1984-86. Wrought aluminum accounted for 65 percent of the duty-free content of total imports under item 806.30 in 1984; by 1987, this share dropped to 34 percent (table B-6). This was partially caused by the appreciation of the yen relative to the U.S. dollar, decreasing the competitive position of Japanese rolled sheet in the U.S. market. In contrast to the drop in nondutiable content of imports of wrought aluminum, from \$201 million to \$142 million during this period, was the rise in imports of aircraft and spacecraft parts from \$2 million to \$121 million, to account for 29 percent of such imports.

The shift in usage of item 806.30 is even more dramatic if the total value (dutiable and nondutiable) is considered. By this measure, imports of wrought aluminum during 1984-87 fell from \$274 million to \$218 million (23 percent of the total in 1987) and imports of aircraft and spacecraft parts under item 806.30 increased from \$2 million to \$489 million (51 percent of the 1987 total). Item 806.30 provides little incentive to use U.S.-origin metal in foreign-processed aircraft and spacecraft parts. Virtually all of these parts have a bound rate of duty of "free"; the dutiable portion (value added by the foreign processing of U.S.-origin metal) enters free of duty as does the nondutiable content. Thus, the only incentive for using item 806.30 when entering aircraft and spacecraft parts is to avoid the Customs User Fee. It is

noteworthy, however, that the U.S.-origin content of imports of aircraft and spacecraft parts entered under the provision totaled \$121 million in 1987, 25 percent of the total value of such imports.

The third leading product category in 1987, in terms of nondutiable content, was iron and steel mill products (especially sheets and strips), which accounted for 9 percent of the total. Such imports increased from \$10 million in 1984 to \$39 million in 1987 (table B-6). On the other hand, imports of semiconductors under the incentive portion of the provision dropped from \$17.7 million in 1984 (when they were the second largest import category at 6 percent of the total) to \$117,000 in 1986. The MFN rate of duty for most semiconductors was made "free" in 1985, eliminating the incentive to use the provision. However, in response to the Customs User Fee, the nondutiable content of semiconductor imports under item 806.30 nearly quadrupled in 1987 to \$404,000.

Canada was the principal supplier of articles imported under item 806.30 based on duty-free content, accounting for 48 percent of such imports in 1987, followed by Japan and Mexico, with shares of 26 percent and 18 percent, respectively (table 6-3). Developed countries supplied 79 percent of the duty-free content of imports under item 806.30, and the LDC's, led by Mexico, provided 21 percent. The primary imports supplied under item 806.30 from Canada were parts of aircraft and spacecraft, aluminum, and machines for working metal, stone, and other material; Japan supplied the majority of wrought aluminum and Mexico supplied the bulk of iron and steel sheets and strips. Malaysia and Singapore were the top suppliers of semiconductors until they became free of duty in 1985. Semiconductors were also the leading product entering under item 806.30 from Mexico in 1984.

Canada accounted for 58 percent (\$551 million) of the total value (dutiable and nondutiable) of imports under item 806.30 in 1987 and Japan accounted for 18 percent (\$176 million). However, by avoiding the Customs User Fee was imports from Canada more than tripled, from the \$133 million in 1984, in contrast to the 16-percent drop in imports from Japan, from \$209 million. Imports of articles with an MFN-free rate of duty accounted for 80 percent of imports from Canada (\$439 million) in 1987, but less than 1 percent of imports from Japan (\$0.9 million) (table 2-6). Furthermore, MFN-free articles from Canada accounted for 85 percent of total imports of free goods under item 806.30 in 1987. Such duty-free articles entering under item 806.30 from Canada to avoid the Customs User Fee were predominantly composed of aircraft and spacecraft parts and, to a lesser degree, motor-vehicle parts and parts for agricultural equipment.

Table 6-1

U.S. Imports for consumption, total and under TSUS item 806.30, 1984-87

Year	Total imports	806.30 imports	Ratio of 806.30 imports to total imports	Duty-free value of 806.30 imports	Ratio of duty-free 806.30 to total 806.30	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nominal	Effective	Million dollars
1984	322,990	450	(1)	309	69	6.0	1.9	18.4
1985	343,553	420	(1)	275	66	3.3	1.1	9.0
1986	368,657	466	(1)	308	66	3.4	1.1	10.3
1987	402,066	954	(1)	416	44	1.7	0.9	7.0
Percentage change								
Change, 1987 from 1984	21	112	70	34	(36)	(72)	(51)	(62)
Average annual change, 1987 from 1984	8	28	19	10	(14)	(34)	(22)	(28)

1 Less than 0.5 percent.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 6-2

U.S. Imports under TSUS Item 806.30, total and duty free, by industry groups, 1984 and 1987

Industry group	Duty-free value		Change, 1987 from 1984	Average annual change, 1987 from 1984	Share of total 1987	Ratio of duty-free value to total value		Total value		Change, 1987 from 1984	Average annual change, 1987 from 1984	Share of total 1987
	1984	1987				1984	1987	1984	1987			
	—1,000 dollars—					Percent		—1,000 dollars—					Percent
Agricultural and forest products	0	0	(¹)	(¹)	(¹)	(¹)	(¹)	0	0		(¹)	(¹)
Textiles, apparel, and footwear	0	0	(¹)	(¹)	(¹)	(¹)	(¹)	0	0		(¹)	(¹)
Chemicals, coal petroleum, natural gas, and related products	6,518	4,635	(29)	(11)	1	63	57	10,377	8,076	(22)	(8)	1
Minerals and metals	247,712	239,080	(3)	(1)	58	73	64	339,160	372,968	10	3	39
Internal combustion engines and parts	417	2,427	482	80	1	87	45	481	5,364	1,015	123	1
Office machines and parts	2,860	58	(98)	(73)	(²)	44	14	6,477	426	(93)	(60)	(²)
Motors, generators, transformers, and related equipment	4,707	7,786	65	18	2	71	76	6,619	10,304	56	16	1
Radio and telephone equipment and parts	23	70	204	45	(²)	55	28	42	246	486	80	(²)
Semiconductors	17,718	404	(98)	(72)	(²)	58	65	30,748	621	(98)	(73)	(²)
Other electrical articles	3,851	6,006	56	16	1	57	66	6,796	9,128	34	10	1
Motor vehicles and parts, industrial vehicles, non-self-propelled vehicles, motorcycles, rail locomotives, and rolling stock	9,421	2,393	(75)	(37)	(²)	74	80	12,772	2,993	(77)	(38)	(²)
Other machinery and equipment	11,915	151,106	1,168	133	36	39	30	30,910	541,198	1,651	160	57
Miscellaneous manufactures	4,140	1,576	62	(28)	(²)	71	62	5,811	2,545	(56)	(24)	(²)
Total	309,282	415,540	34	10	100	69	44	450,193	953,872	112	28	100

¹ Not applicable.² Less than 0.5 percent.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table 6-3

Duty-free U.S. Imports for consumption under TSUS Item 806.30, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Share of total duty-free value	
						1984	1987
		Million Dollars			Percent	Percent	
Canada	102	65	61	200	97	33	48
Japan	142	156	146	107	(24)	46	26
Mexico	25	22	69	76	210	8	18
West Germany	11	7	12	8	(27)	4	2
Brazil	(¹)	(¹)	(¹)	8	(²)	(³)	2
Italy	3	0	5	6	107	1	1
Singapore	2	4	2	3	8	1	1
All other	24	21	13	8	(67)	8	2
Total	309	275	308	416	34	100	100

¹ Less than \$500,000.² Not applicable.³ Less than 0.5 percent.

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Aluminum

U.S. imports of aluminum increased by 18 percent during 1984-87, to \$3.0 billion. However, imports of these products under TSUS item 806.30 fell by 22 percent during the period, to \$218 million. The ratio of imports under item 806.30 to total imports fell from a peak of 13 percent in 1985 to 7 percent in 1987, as shown in table 6-4. Despite the reductions, aluminum remained the leading product imported under item 806.30 in 1987, in terms of U.S.-origin content.

The duty-free content of imports entered under item 806.30 declined by 31 percent to \$142 million in 1987. The ratio of duty-free content to total value of item 806.30 imports declined gradually during the period to 65 percent. The nominal rate of duty for these products averaged 3.2 percent ad valorem during the period, and the effective rate of duty increased slightly, from 0.8 percent in 1984 to 1.1 percent in 1987. The total duty savings resulting from item 806.30 declined 31 percent during 1984-87, to \$5 million.

Japan and Canada were the only significant suppliers of aluminum imported under item 806.30 throughout this period, with Japan accounting for 74 percent of the duty-free value of these imports in 1987 and Canada, 25 percent

(table 6-5). Aluminum sheets and strip, particularly sheet for use in making cans, are the major products traded under item 806.30. Typically, Japanese companies purchase scrap aluminum cans from metal brokers in the United States. The cans are recycled into aluminum ingots in Japan, and the ingots are rolled into canning sheet, some of which is exported to U.S. canmakers or breweries. In contrast to imports from Japan, the leading source of imports from Canada is related to its U.S. supplier of hot-rolled aluminum sheet and its U.S. customer of canning sheet. Because of capacity constraints, the U.S. company ships rolled sheet to its sister subsidiary (both are subsidiaries of the same multinational corporation) in Canada, where it is rolled into finer canning sheet, before being shipped back to the parent company's distribution centers in the United States. Canmakers, including breweries, finish processing the aluminum sheet.

Much of the responsibility for the 27-percent reduction in the value (in terms of duty-free content) of imports under item 806.30 from Japan in 1987 from that in 1986 can be attributed to the appreciation of the yen. However, imports from Canada dropped by 59 percent in 1985 from those in 1984 because a U.S. rolling mill related to the leading Canadian supplier of imports under item 806.30 expanded its capacity.

Contact Deborah McNay at 252-1425

Table 6-4

Aluminum: U.S. Imports for consumption, total and under TSUS Item 806.30, 1984-87

Year	Total Imports	806.30 Imports	Ratio of 806.30 imports to total imports	Duty-free value of 806.30 imports	Ratio of duty-free 806.30 to total 806.30	Rate of duty		Total duty savings
						Nomi- nal	Effec- tive	
	Million dollars	Million dollars	Percent	Million dollars	Percent	—Percent—		Million dollars
1984	2,574	281	11	207	74	3.2	0.8	6.7
1985	2,073	266	13	182	68	3.2	1.0	5.9
1986	2,852	274	10	181	66	3.1	1.0	5.7
1987	3,026	218	7	142	65	3.2	1.1	4.6
Percentage change								
Change, 1987 from 1984	18	(22)	(34)	(31)	(12)	0	38	(31)
Average annual change, 1987 from 1984	6	(8)	(13)	(12)	(4)	0	11	(11)

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 6-5

Aluminum: Duty-free U.S. imports for consumption under TSUS item 806.30, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Share of total duty-free value	
						1984	1987
	Million Dollars				Percent	Percent	
Japan	138	154	145	105	(24)	67	74
Canada	65	27	35	35	(46)	31	25
All other	4	2	2	1	(75)	2	1
Total	207	182	181	142	(31)	100	100

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes a concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for aluminum:

TSUS item	HTS subheading	TSUS item	HTS subheading
618.01	7601.10.30	618.27	7606.11.60
	7601.20.30		7606.91.60
618.06	7601.20.90	618.42	7603.10.00
			7603.20.00
618.15	7604.10.30		
	7604.29.30	618.47	7608.10.00
	7605.11.00		7608.20.00
	7605.21.00		7609.00.00
			8547.90.00
618.17	7604.10.10		
	7604.29.10	644.09	7607.11.30
618.20	7605.19.00	644.11	7607.11.60
	7605.29.00		
		644.12	7607.11.60
618.25	7604.10.50		
	7604.29.50	644.26	7607.19.30
	7606.11.30		
	7606.12.30		
	7606.91.30		
	7606.92.30		
	7607.11.90		
	7607.19.60		

Parts of Aircraft and Spacecraft

The articles covered here include certain parts for civil airplanes and helicopters, as well as parts for military aircraft and spacecraft. U.S. imports of these articles increased 79 percent during 1984-87, from \$1.3 billion to \$2.4 billion (table 6-6). Imports under item TSUS 806.30 were insignificant during 1984-86. However, in 1987, such imports climbed to \$482 million. Furthermore, the share of total imports accounted for by imports under item 806.30 jumped from less than 1 percent in 1986 to 20 percent in 1987. Since the MFN rate of duty on these articles was reduced to "free," on January 1, 1987, the steep increase in use of item 806.30 reflects attempts to avoid the Customs User Fee rather than efforts to reduce duty obligations.

The nondutiable content of imports of parts of aircraft and spacecraft under item 806.30 soared from \$1.8 million in 1984 to \$121 million in 1987. The ratio of nondutiable content to the

total value of imports under item 806.30 decreased during the period, falling from 82 percent in 1984 to 25 percent in 1987. Because the nominal rate of duty on imports of certain parts of aircraft and spacecraft is free, the effective rate is also free and there are no duty savings on imports of these articles.

Canada was the major supplier of parts of aircraft and spacecraft under item 806.30 during the period, accounting for 95 percent (\$114 million) of the nondutiable content of these imports in 1987 (table 6-7). U.S. aircraft and spacecraft producers use firms in Canada for forging and other machining and sheet metal operations. Some contracts for the sale of U.S.-made aircraft to foreign buyers require that a certain portion of the parts or labor be made, processed, or performed in the country of the foreign buyer. Such operations in Canada frequently use U.S.-origin metal.

Contact Peder Andersen at 252-1388

Table 6-6

Parts of aircraft and spacecraft: U.S. Imports for consumption, total and under TSUS Item 806.30, 1984-87

Year	Total imports	806.30 imports	Ratio of 806.30 imports to total imports	Duty-free value of 806.30 imports	Ratio of duty-free 806.30 to total 806.30	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nomi- nal	Effec- tive	Million dollars
1984	1,319	2.2	(¹)	1.8	82	1.9	0.3	(²)
1985	1,972	17.2	(¹)	9.1	53	1.3	.6	0.1
1986	2,253	.3	(¹)	.2	73	.7	.2	(²)
1987	2,364	439.3	21	121.3	25	0	0	0
Percentage change								
Change, 1987 from 1984	79	22,341	1,258,946	6,839	(70)	0	0	0
Average annual change, 1987 from 1984	22	506	2,226	307	(33)	0	0	0

¹ Less than 0.5 percent.² Less than \$50,000.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 6-7

Parts of aircraft and spacecraft: Duty-free U.S. Imports for consumption under TSUS Item 806.30, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Share of total duty-free value	
						1984	1987
		Million Dollars			Percent	Percent	
Canada	0	4.8	0.1	115.8	(¹)	0	95
Italy	0	0	0	4.9	(¹)	0	4
Japan	0	0	0	.2	(¹)	0	(²)
All others	1.8	4.3	.1	.4	(79)	100	(²)
Total	1.8	9.1	.2	121.3	170	100	100

¹ Not applicable.

² Less than 0.5 percent.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes a concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for parts of aircraft and spacecraft:

TSUS item	HTS subheading	TSUS item	HTS subheading
694.61	8803.20.00		
	8803.30.00		
	8803.90.90		
694.62	8803.10.00		
	8803.20.00		
	8803.30.00		
	8803.90.90		
694.67	8803.10.00		
	8803.20.00		
	8803.30.00		
	8803.90.90		

Steel Mill Products

Steel mill products imported under TSUS item 806.30 increased their share of total imports of steel mill products from 0.1 percent in 1984 to 0.7 percent in 1987. Imports of steel entering under item 806.30 increased by more than 300 percent to \$62 million in 1987 (table 6-8). In contrast, total U.S. steel imports declined 17 percent during the period, to \$8.4 billion.

The duty-free content of imports entering under item 806.30 also increased almost 600 percent during 1984-87, to \$69 million. The ratio of duty-free content to total value of item 806.30 imports fluctuated slightly during 1984-87, averaging 69 percent annually. The nominal rate of duty for this product group decreased from 8 percent in 1984 to 6.6 percent in 1987, and the effective rate of duty decreased slightly, from 2.4 percent to 2.2 percent, during

the same period. Total duty savings resulting from item 806.30 increased from \$0.8 million in 1984 to \$5 million in 1987, reflecting the trend in imports under item 806.30 (small in absolute terms but steep in relative terms).

Principal steel mill product imports entered under item 806.30 in 1987 were plates, sheets, and strip. Mexico was the largest supplier, accounting for 64 percent of the duty-free content of these imports in 1987 (table 6-9). The sharp growth in item 806.30 imports from Mexico in 1987 principally reflects increased shipments of stainless steel sheet and strip.

U.S. imports of steel mill products under the GSP and CBERA programs were insignificant throughout 1984-87, accounting for less than 1 percent of total import value in 1987.

Contact Nancy Fulcher at 252-1434

Table 6-8

Steel mill products: U.S. Imports for consumption, total and under TSUS item 806.30, 1984-87

Year	Total imports	806.30 imports	Ratio of 806.30 imports to total imports	Duty-free value of 806.30 imports	Ratio of duty-free 806.30 to total 806.30	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nomi- nal	Effec- tive	Million dollars
1984	10,221	14	(¹)	10	71	8.0	2.4	\$0.8
1985	9,577	21	(¹)	14	67	8.7	3.0	1.2
1986	8,057	57	1	39	69	7.9	2.4	3.1
1987	8,447	62	1	39	63	6.6	2.2	2.6
<hr/> Percentage change <hr/>								
Change, 1987 from 1984	(17)	343	600	290	(11)	18	(8)	225
Average annual change, 1987 from 1984	(6)	64	800	57	(4)	(6)	(3)	48

¹ Less than 0.5 percent.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 6-9

Steel Mill Products: U.S. imports for consumption under TSUS Item 806.30 by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Share of total duty-free value ¹	
						1984	1987
	Million Dollars				Percent	Percent	
Mexico	(¹)	3.3	25.0	24.8	(²)	(³)	64
Canada	7.7	6.6	4.7	8.3	9	79	21
Brazil	0.0	(¹)	(¹)	3.4	(²)	(³)	9
All other	2.1	4.1	9.7	2.3	110	21	6
Total	9.8	14.0	39.4	28.8	296	100	100

¹ Less than \$50,000.² Not applicable.³ Less than 0.5 percent.

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes a concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for steel mill products, all grades:

TSUS item	HTS subheading	TSUS item	HTS subheading
606.67	7206.10.00	607.23	7213.20.00
	7207.11.00		7213.31.60
	7207.20.00		7213.39.00
			7213.41.60
606.69	7218.10.00		7213.49.00
	7218.90.00		7213.50.00
	7224.10.00		
	7224.90.00	607.66	7208.11.00
			7208.12.00
606.79	7213.10.00		7208.21.50
	7214.20.00		7208.22.50
			7208.31.00
606.83	7214.10.00		7208.32.00
	7214.30.00		7208.33.50
	7214.60.00		7208.41.00
			7208.43.00
606.88	7215.10.00		7211.11.00
	7215.40.00		7211.12.00
	7215.90.30		7211.21.00
			7211.22.00
606.90	7222.10.00		
	7222.30.00	607.67	7208.13.50
			7208.14.50
606.95	7228.10.00		7208.23.50
	7228.30.60		7208.24.50
	7228.50.10		7208.34.50
	7228.60.10		7208.35.50
			7208.44.00
606.97	7228.20.10		7208.90.00
	7228.30.80		7211.19.50
	7228.40.00		7211.29.70
	7228.60.60		
		607.76	7219.11.00
607.17	7213.20.00		7219.24.00
	7213.31.30		7220.11.00
	7213.39.00		7220.12.10
	7213.41.30		

Steel mill products, all grades—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
607.78	7225.30.30		
	7225.40.30		
	7226.91.50		
607.83	7208.11.00	608.13	7210.31.00
	7208.13.10		7210.49.00
	7208.14.10		7210.60.00
	7208.21.10		7210.70.60
	7208.22.10		7210.90.90
	7208.23.10		7212.21.00
	7208.24.10		7212.29.00
	7208.33.10		7212.30.50
	7208.34.10		7212.40.50
	7208.35.10		7212.50.00
	7208.42.00		
	7209.23.00	608.19	7211.19.10
	7209.24.50		7211.29.30
	7209.90.00		7211.30.30
	7210.70.30		7211.41.50
	7211.22.00		7211.49.30
	7211.29.50		7211.90.00
	7211.30.50		7212.29.00
	7211.41.70		7212.30.30
	7211.49.50		7212.40.10
	7211.90.00		7212.50.00
	7212.40.50		
		608.21	7211.19.10
607.90	7219.11.00		7211.29.30
	7219.90.00		7211.30.10
	7220.12.10		7211.41.30
	7220.20.10		7211.49.10
			7211.90.00
607.92	7225.10.00		7212.10.00
	7226.10.10		7212.29.00
			7212.30.10
607.94	7210.90.10		7212.40.10
	7212.60.00		7212.50.00
			7222.90.00
607.99	7210.11.00		
	7210.12.00	608.23	7211.19.10
	7212.10.00		7211.29.10
			7211.30.10
608.07	7210.39.00		7211.41.10
	7210.49.00		7211.49.10

Steel mill products, all grades—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
608.23—cont.	7211.90.00	609.43—cont.	7217.23.10
	7212.10.00		7217.31.30
	7212.29.00		7217.32.10
	7212.30.10		7217.33.10
	7212.40.10		
	7212.50.00	609.80	7216.10.00
			7215.50.00
608.43	7220.20.70		
		609.82	7222.40.30
608.55	7226.91.80		7228.70.30
	7226.92.80		
		609.84	7216.90.00
608.57	7220.12.50		
	7220.20.60	610.30	7306.30.50
609.14	7208.90.00	610.32	7305.11.10
	7209.90.00		7305.12.10
	7211.90.00		7305.19.10
			7305.31.40
609.17	7210.50.00		7305.39.10
	7210.90.60		7305.90.10
	7212.50.00		7306.10.10
	7220.90.00		7306.20.60
			7306.30.50
609.40	7217.11.50		7306.90.10
	7217.12.30		
	7217.13.30	610.37	7305.11.50
	7217.21.30		7305.12.50
	7217.22.10		7305.19.50
	7217.23.10		7305.31.60
	7217.31.30		7305.39.50
	7217.32.10		7305.90.50
	7217.33.10		7306.20.80
			7306.40.50
609.41	7217.11.70		7306.50.50
	7217.12.50		7306.90.50
	7217.13.50		
		610.39	7304.20.20
609.43	7217.21.30		7304.90.10
	7217.22.10		7305.20.40

Steel mill products, all grades—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
610.39—cont.	7306.20.20	610.52	7304.10.50
	7306.60.10		7304.20.60
			7304.20.80
610.49	7304.10.10		7304.41.00
	7304.20.50		7304.49.00
	7304.20.70		7304.51.50
	7304.31.60		7304.59.20
	7304.39.00		7304.59.80
	7304.90.50		7306.90.70
	7306.30.10		7306.40.10
	7306.60.50		7306.50.10
			7306.60.70
610.51	7304.49.00		
	7304.51.50		
	7304.59.00		

Machines for Working Metal, Stone, and Other Materials, Except Gas-Operated Metalworking Appliances

The duty-free content of U.S. imports under TSUS item 806.30 of machines for working metal, stone, and other materials (except gas-operated metalworking appliances) increased dramatically to \$16 million in 1987, compared with just \$3 million in 1984, and \$1 and \$2 million in 1985 and 1986, respectively (table 6-10). Similarly, total imports entering under TSUS item 806.30 jumped from \$4 million in 1984 to \$21 million in 1987, with the duty-free portion accounting for 80 percent of the value in 1987. Total imports of machines for working metal, stone, and other materials (except gas-operated metalworking appliances) rose from \$2.1 billion in 1984 to \$3.4 billion in 1986, before declining to \$3.2 billion in 1987. However, imports under item 806.30 did not exceed 1 percent of the total in any year throughout the period.

Item 806.30 has been used by firms importing converters, ingot molds, and casting machines and parts thereof, which account for the great majority of the nondutiable content of imports under item 806.30. Other product categories in which item 806.30 has been used consistently, although such imports are negligible, are metal-rolling mills and parts thereof and parts of machine tools.

In 1987, the nondutiable portion of imports of converters, ingot molds, and casting machines and parts from Canada accounted for 94 percent, or \$15 million, of the total nondutiable portion of 806.30 imports of machines for working metal, stone, and other materials (except gas-operated metalworking appliances); these products

accounted for 95 percent, or \$19 million, of total item 806.30 imports (table 6-11). The remainder of imports under item 806.30 were principally other articles from Canada, and parts of machine tools from West Germany (1 percent of the total nondutiable content of item 806.30 imports). By contrast, in 1987, the major suppliers of total imports of machines for working metal, stone, and other materials (except gas-operated metalworking appliances), were Japan (43 percent), West Germany (18 percent), and Taiwan (8 percent). Canada accounted for only 5 percent of the total.

The substantial increase in imports under item 806.30 in 1987 is caused by importers of these products seeking to avoid the Customs User Fee, since the U.S. MFN tariff rate for converters, ingot molds, and casting machines is free, having declined from 1.7 percent ad valorem in 1984. The resulting savings for U.S. importers totaled \$26,252. In 1987, the trade-weighted nominal duty rate for machines for working metal, stone, and other materials (except gas-operated metalworking appliances), was 0.24 percent ad valorem, and the effective rate of duty was 0.05 percent. During 1984-87, the duty savings generated from using item 806.30 totaled \$192,000, declining from \$90,000 in 1984 to \$16,000 in 1986, before rising to \$45,000 in 1987.

The decline in the use of item 806.30 in several product categories is the principal cause of the decline in duty-savings, as well as the reduction in U.S. tariff rates. As the MFN rate of duty for a number of products was reduced to zero in accordance with the Tokyo Round of multilateral trade negotiations, the incentive to use item 806.30 was diminished.

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Table 6-10

Machines for working metal, stone, and other materials, except gas-operated metalworking appliances: U.S. Imports for consumption, total and under TSUS item 806.30, 1984-87

Year	Total Imports	806.30 Imports	Ratio of 806.30 imports to total imports	Duty-free value of 806.30 imports	Ratio of duty-free 806.30 to total 806.30	Rate of duty		Total duty savings
	Million dollars	Million dollars	Percent	Million dollars	Percent	Nomi- nal	Effec- tive	Million dollars
1984	2,086	4	(¹)	3	70	3.1	1.0	90
1985	2,784	2	(¹)	1	61	2.9	1.2	41
1986	3,374	2	(¹)	2	73	1.1	.4	16
1987	3,178	21	1	16	80	.2	.1	45
Percentage change								
Change, 1987 from 1984	52	428	246	508	15	(92)	(95)	(52)
Average annual change, 1987 from 1984	15	74	50	83	5	(57)	(63)	(22)

¹ Less than 0.5 percent.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

Table 6-11

Machines for working metal, stone, and other materials, except gas-operated metalworking appliances: Duty-free U.S. imports for consumption under TSUS item 806.30, by principal sources, 1984-87

Source	1984	1985	1986	1987	Change in value of duty- free content, 1987 from 1984	Share of total duty-free value	
						1984	1987
	Million Dollars				Percent	Percent	
Canada	2.7	1.3	1.5	16.1	503	99	99
West Germany	(¹)	(¹)	(¹)	.2	1,792	(²)	1
All other	(¹)	(¹)	(¹)	(¹)	(50)	(²)	(²)
Total	2.7	1.4	1.5	16.4	508	100	100

¹ Less than \$50,000.

² Less than 0.5 percent.

Source: Compiled by the U.S. International Trade Commission from official statistics of the U.S. Department of Commerce.

The following list includes a concordance that shows the TSUS items and the Harmonized Tariff Schedule subheadings for machines for working metal, stone, and other materials, except gas-operated metalworking appliances:

TSUS item	HTS subheading	TSUS item	HTS subheading
674.10	8454.10.00	674.35—cont.	8463.10.00
	8454.90.00		8463.90.00
674.20	8455.10.00	674.40	8465.91.00
	8455.90.00		
674.30	8461.40.10	674.41	8465.99.00
		674.42	8456.10.50
674.33	8459.21.00		8456.20.50
	8459.29.00		8456.30.50
			8456.90.50
674.34	8457.20.00		8464.10.00
	8457.30.00		8464.90.00
	8458.91.10		8465.91.00
	8458.99.10		8465.93.00
	8459.10.00		8465.95.00
	8459.31.00		8465.99.00
	8459.39.00		
	8459.40.00	674.48	8466.10.00
	8459.51.00		8466.20.90
	8459.59.00		8466.30.30
	8459.61.00		8466.91.00
	8459.69.00		
		674.50	8466.10.00
674.35	8456.10.10		
	8456.20.10	674.51	8466.91.10
	8456.30.10		8466.92.10
	8456.90.10		8466.93.10
	8458.11.00		8466.94.10
	8458.19.00		
	8458.91.50	674.52	8466.20.10
	8458.99.50		8466.93.50
	8459.70.00		
	8461.10.00	674.53	8466.20.90
	8461.30.00		8466.30.10
	8461.40.50		8466.91.50
	8461.50.00		8466.92.50
	8461.90.00		8466.93.70
	8462.10.00		8466.94.50
	8462.99.00		8537.10.00

Machines for working metal, stone, and other materials, except gas-operated metalworking appliances—Continued

<i>TSUS item</i>	<i>HTS subheading</i>	<i>TSUS item</i>	<i>HTS subheading</i>
674.55	8466.30.30	674.70	8205.59.20
			8467.11.50
674.56	8466.30.50		8467.19.50
			8467.81.00
674.60	8467.11.10		8467.89.50
	8467.19.10		8467.91.00
	8467.89.10		8467.92.00
	8467.92.00		8467.99.00
	8467.99.00		

APPENDIX A
CUSTOMS TREATMENT OF TSUS ITEMS 806.30 AND 807.00

Explanation and Background for TSUS Items 806.30 and 807.00¹

The tariff treatment of particular American goods returned from other countries has been specified in items 806.30 and 807.00, part 1B, schedule 8 of the TSUS. Under TSUS item 806.30, articles of metal (except precious metal) that have been manufactured or subjected to a process of manufacture in the United States, exported for processing abroad, and then returned to the United States for further processing, are subject to duty only on the value of the foreign processing. Under TSUS item 807.00, imported articles that were assembled abroad using fabricated, U.S.-manufactured components are subject to duty at their full entered value minus the value of the identifiable U.S.-origin components contained therein. No further processing in the United States is required for articles to qualify for TSUS item 807.00 treatment. The provisions of the respective tariff items and applicable headnotes are as follows:

Schedule 8—Special Classification Provisions

Part 1—Articles Exported and Returned

Subpart B—Articles Advanced or Improved Abroad

Subpart B headnotes:

1. This subpart shall not apply to any article exported—
 - (a) from continuous customs custody with remission, abatement, or refund of duty;
 - (b) with benefit of drawback;
 - (c) to comply with any law of the United States or regulation of any Federal agency requiring exportation; or
 - (d) after manufacture or production in the United States under item 864.05 of this schedule.
2. *Articles repaired, altered, processed, or otherwise changed in condition abroad.*—The following provisions apply only to items 806.20 and 806.30:
 - (a) The value of repairs, alterations, processing, or other change in condition outside the United States shall be—
 - (i) the cost to the importer of such change; or
 - (ii) if no charge is made, the value of such change, as set out in the invoice and entry papers; except that, if the appraiser concludes that the amount so set out does not represent a reasonable cost or value, then the value of the change shall be determined in accordance with section 402 of this Act.
 - (b) No appraisement of the imported article in its changed condition shall be required unless necessary to a determination of the rate or rates of duty applicable to such article.
 - (c) The duty upon the value of the change in condition shall be at the rate which would apply to the article itself, as an entirety without constructive separation of its components, in its condition as imported if it were not within the purview of this subpart. If the article, as returned to the United States, is subject to a specific or compound rate of duty, such rate shall be converted to the ad valorem rate which when applied to the full value of such article determined in accordance with section 402 of this Act would provide the same amount of duties as the specific or compound rate. In order to compute the duties due, the ad valorem rate so obtained shall be applied to the value of the change in condition made outside the United States.

¹ A copy of the Customs Regulations pertaining to items 806.30 and 807.00, as set out in vol. 19 of the Code of Federal Regulations, is provided in this appendix.

3. *Articles assembled abroad with components produced in the United States.*—The following provisions apply only to item 807.00:

(a) The value of the products of the United States assembled into the imported article shall be—

- (i) the cost of such products at the time of the last purchase; or
- (ii) if no charge is made, the value of such products at the time of the shipment for exportation, as set out in the invoice and entry papers; except that, if the appraiser concludes that the amount so set out does not represent a reasonable cost or value, then the value of such products shall be determined in accordance with section 402 or 402a of this Act.

(b) The duty on the imported article shall be at the rate which would apply to the imported article itself, as an entirety without constructive separation of its components, in its condition as imported if it were not within the purview of this subpart. If the imported article is subject to a specific or compound rate of duty, the total duties shall be reduced in such proportion as the cost or value of such products of the United States bears to the full value of the imported article.

4. No imported article shall be accorded partial exemption from duty under more than one item in this subpart.

<i>Item</i>	<i>Articles</i>	<i>Rates of duty¹</i>
	Articles returned to the United States after having been exported to be advanced in value or improved in condition by any process of manufacture or other means:	
806.30	Any article of metal (except precious metal) manufactured in the United States or subjected to a process of manufacture in the United States, if exported for further processing, and if the exported article as processed outside the United States, or the article which results from the processing outside the United States, is returned to the United States for further processing.....	A duty upon the value of such processing outside the United States (see headnote 2 of this subpart)

¹ The rates of duty shown here apply to imports under TSUS items 806.30 and 807.00 from countries having most-favored-nation status found in col. 1 as well as those countries under Communist domination or control found in col. 2 of the Tariff Schedules of the United States.

807.00

Articles assembled abroad in whole or in part of fabricated components, the product of the United States, which (a) were exported in condition ready for assembly without further fabrication, (b) have not lost their physical identity in such articles by change in form, shape, or otherwise, and (c) have not been advanced in value or improved in condition abroad except by being assembled and except by operations incidental to the assembly process such as cleaning, lubricating, and painting.....

A duty upon the full value of the imported article, less the cost or value of such products of the United States (see headnote 3 of this subpart)

As stated in the above headnotes, no imported article may be given a partial exemption from duty under more than one of these tariff items.¹ Neither may an article be entered under these tariff items if it was previously exported with a remission, abatement, or refund of duty or with the benefit of drawback, or after manufacture or production in bond under TSUS item 864.05.

The rate of duty upon the dutiable portion of the value of an article imported under one of these tariff items is the rate that would otherwise apply to the article itself as an entirety under the pertinent item in TSUS schedules 1 through 7 (that is, the tariff item that would apply if the article were not entered under an item in schedule 8).² Accordingly, for articles entered under TSUS item 806.30, the duty is assessed only upon the value of the processing (value added) that occurred outside the United States. The form of the metal article may be changed in the foreign processing operation, but the resulting entered product must undergo further processing after its return to the United States. Under TSUS item 807.00, the customs duty applicable to the entered product is calculated based upon the value of the entered good minus the value of the U.S. elements. Thus, no duty is assessed on those U.S.-fabricated components (that is, components the product of the United States, that were exported in a condition ready for assembly without further fabrication) that have not lost their physical identity by a change in form, shape, or otherwise, and that have not been advanced in value or improved in condition abroad except by having been assembled.

¹ An article could, however, be exported and returned to the United States under one item and be subsequently reexported and returned under another if this were economically feasible and if the form of the article had been sufficiently changed after its first importation. Thus, for example, a metal article exported and returned to the United States under item 806.30 for further processing in such a way as to constitute a new "fabricated" article or component as defined by the U.S. Customs Service could then be reshipped abroad for assembly and returned under the provisions of item 807.00.

² In this connection, it is to be noted that the entry of an article under either of these tariff items does not relieve it from quantitative limitations imposed under other provisions of law, such as certain-textile and apparel articles covered by the Arrangement Regarding International Trade in Textiles.

When the applicable rate of duty is a specific or a compound rate, the method of computing duties on TSUS item 806.30 entries differs from that used for item 807.00 entries. With respect to TSUS item 806.30, a specific or compound duty rate applicable to an article provided for in schedules 1 through 7 of the TSUS is converted to an ad valorem equivalent (which, if applied to the full value of the article, would yield the same amount of duty as the specific or compound rate). This ad valorem rate is then applied to the value of the foreign processing. Under TSUS item 807.00, the specific or compound rate of duty is applied to the entire cost or value of the U.S.-origin components bears to the full value of the imported article. For customs purposes, the value of processing under TSUS item 806.30 and the value of U.S. components for purposes of TSUS item 807.00 are based on the invoice costs to the importer, where the U.S. Customs Service determines such costs or values to be reasonable. Otherwise, the value is determined in accordance with section 402 (or, much more rarely now, section 402a) of the Tariff Act of 1930 (19 U.S.C. 1401a).¹

Although most rates of duty in the TSUS are "bound rates" because of trade-agreement concessions, the duty rates in items 806.30 and 807.00 are not; nor is the United States obliged to retain these tariff items. Thus, the Congress may amend or repeal these tariff items without impairing U.S. trade-agreement obligations or concessions, despite the fact that such an action could result in an increase in the amount of customs duties collected.²

Under the special rates of duty column of the TSUS, the otherwise dutiable foreign processing for articles eligible for entry under TSUS item 806.30 that underwent processing in Israel is not subject to duty, because of provisions of the U.S.-Israel Free Trade Area Agreement Implementation Act of 1985 (19 U.S.C. 2112 note). No such treatment exists under TSUS item 807.00 for articles imported from Israel, and no special treatment is afforded under either tariff item for imports from beneficiaries of any other preferential tariff scheme maintained by the United States (or under the proposed free-trade agreement with Canada). Finally, under the Harmonized Tariff Schedule of the United States, based upon the Harmonized Commodity Description and Coding System of the Customs Cooperation Council,³ these tariff items would be continued in the form of subheadings 9802.00.60 and 9802.00.80.

¹ Sec. 402 of the Tariff Act of 1930 provides the basic methods of valuation, for customs purposes, of merchandise imported into the United States. This section was amended by title II of the Trade Agreements Act of 1979 (Public Law 96-39, July 26, 1979) to incorporate in U.S. law the substance of an international agreement on customs valuation that was reached in the Tokyo Round of Multilateral Trade Negotiations. Section 402a was repealed by the same public law in sec. 201(b) and thus applies only to unliquidated entries of goods imported prior to the effective date of the repeal.

² Additional information covering the available legislative history, customs practices, and problems of customs administration is provided in pp. A-22 through A-31.

³ The Harmonized Commodity Description and Coding System, known as the Harmonized System or HS, is intended to serve as the single modern product nomenclature for use in classifying products for customs tariff, statistical, and transport documentation purposes. Based on the Customs Cooperation Council Nomenclature, the HS is a detailed classification structure containing approximately 5,000 headings and subheadings describing articles in trade. The provisions are organized in 96 chapters arranged in 20 sections which, along with the interpretative rules and the legal notes to the chapters and sections, form the legal text of the system. Parties to the HS Convention agree to base their customs tariffs and statistical programs upon the HS nomenclature. Legislation to replace the TSUS with an HS-based tariff schedule known as the HTS has recently been enacted (Public Law 100-418).

Shipper:

The declaration shall not be required in any case where the district director is satisfied by reason of the nature of the articles or otherwise that they were shipped directly to the insular possession and were returned by direct shipment.

(c) When merchandise excluding any shipments valued at \$100 or less, arrives unaccompanied by a certificate of origin or a declaration of the shipper, or when any other document necessary to complete entry is lacking, a bond containing the bond conditions set forth in § 113.62 of this chapter, for the production thereof may be taken on Customs Form 301. A bond for production of a bill of lading shall be taken on Customs Form 301 and contain the bond conditions set forth in § 113.69 of this chapter.

(d) In determining whether an article produced or manufactured in any such insular possession contains foreign materials to the value of more than 50 percent (or more than 70 percent with respect to watches and watch movements), a comparison shall be made between the actual purchase price of the foreign materials (excluding any material which at the time such article is entered, or withdrawn from warehouse, for consumption in the United States, may be imported into the United States from a foreign country, other than Cuba or the Philippines, free of duty), plus the cost of transportation to such insular possession (but excluding duties and taxes, if any, assessed by the insular possession and any charges which may accrue after landing), and the final appraised value in the United States determined in accordance with section 402, Tariff Act of 1930, as amended (19 U.S.C. 1401a), of the article brought into the United States.

(e) A special Customs invoice on Customs Form 5515 shall be required in connection with shipment of dutiable merchandise valued over \$500 unless the shipment would have been exempt from the requirement of a special Customs invoice under § 141.83 of this chapter if it had been imported from a foreign country, or when the

shipment is covered by a certificate of origin provided for in paragraph (a) of this section.

(f) Merchandise may be withdrawn from a bonded warehouse under section 557, Tariff Act of 1930, as amended (19 U.S.C. 1557), for shipment to the Virgin Islands, American Samoa, Wake Island, Midway Islands, Kingman Reef, Johnston Island, or Guam, without payment of duty, or with a refund of duty if the duties have been paid, in like manner as for exportation to foreign countries. No drawback may be allowed under section 313, Tariff Act of 1930, as amended (19 U.S.C. 1313), on articles manufactured or produced in the United States and shipped to any insular possession. No drawback of internal-revenue tax is allowable under 19 U.S.C. 1313 on articles manufactured or produced in the United States with the use of domestic tax-paid alcohol and shipped to Wake Island, Midway Islands, Kingman Reef or Johnston Island.

(R.S. 251, as amended, secs. 623, as amended, 624, 46 Stat. 759, as amended (19 U.S.C. 68, 1623, 1624))

(T.D. 83-7, 48 FR 229, Jan. 4, 1983; 48 FR 1290, Jan. 12, 1983; T.D. 84-213, 49 FR 41184, Oct. 19, 1984)

§ 7.11 Guantanamo Bay Naval Station.

Articles of foreign origin may enter the area (both land and water) of the Guantanamo Bay Naval Station free of duty, but such articles shall be subject to duty upon their subsequent entry into the United States.

PART 10—ARTICLES CONDITIONALLY FREE, SUBJECT TO A REDUCED RATE, ETC.**ARTICLES EXPORTED AND RETURNED**

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- 10.1 Domestic products; requirements on entry.
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AUTHORITY: 19 U.S.C. 66, 1202, 1481, 1484, 1498, 1623, 1624;

§ 10.17 also issued under 19 U.S.C. 1401a, 1402;

§ 10.22 also issued under 19 U.S.C. 1304;

§§ 10.41, 10.41a, 10.107 also issued under 19 U.S.C. 1322;

§ 10.53 also issued under 16 U.S.C. 1521, *et seq.*

§ 10.59 also issued under 19 U.S.C. 1309, 1317;

§§ 10.61, 10.62, 10.63, 10.64, 10.64a also issued under 19 U.S.C. 1309;

§§ 10.62a, 10.65 also issued under 19 U.S.C. 1309, 1317, 1555, 1556, 1557, 1646a;

§§ 10.70, 10.71 also issued under 19 U.S.C. 1486;

§§ 10.80, 10.81, 10.82, 10.83 also issued under 19 U.S.C. 1313 (e) and (f);

§§ 10.152, 10.153 also issued under 19 U.S.C. 1321;

§§ 10.171-10.178 also issued under 19 U.S.C. 2481 *et seq.*;

§§ 10.191-10.198 also issued under 19 U.S.C. 2701 *et seq.*

SOURCE: 28 FR 14663, Dec. 31, 1963, unless otherwise noted.

ARTICLES EXPORTED AND RETURNED

§ 10.1 Domestic products; requirements on entry.

(a) Except as otherwise provided for in this part, the following documents shall be filed in connection with the entry of articles claimed to be free of duty under item 800.00 and item 805.00, Tariff Schedules of the United States:

(1) A declaration by the foreign shipper in substantially the following form, if the value of the returned articles exceeds \$1,000:

I, _____, declare that to the best of my knowledge and belief the articles herein specified are products of the United States; that they were exported from the United States, from the port of _____ on or about _____, 19____; that they are returned without having been advanced in value or improved in condition by any process of manufacture or other means.

Marks	Number	Quantity	Description	Value, in U.S. coin
	(Date)			(Signature)
	(Address)			(Capacity)

(2) A declaration for free entry by the owner, importer, consignee, or agent on the top portion of Customs Form 3311.

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(3) A Certificate of Exportation on the bottom portion of Customs Form 3311 executed by the district director at the port from which the merchandise was exported. Such certificate shall show whether drawback was claimed or paid on the merchandise covered by the certificate and, if any was paid, the amount thereof. This certificate shall be issued on application of the importer, or of the district director at the importer's request, and shall be mailed by the issuing officer directly to the port at which it is to be used. If the merchandise has been exported from the port at which entry is made and the fact of exportation appears on the records of the customhouse, the fact of reimportation shall be noted on such export record. In such case the filing of the certificate on Customs Form 3311 shall not be required.

(b) If, in any case where the appraising officer's report does not show definitely that merchandise the value of which exceeds \$1,000 is of domestic origin, Customs Form 3311 has not been executed by the owner or ultimate consignee, the district director may require the execution of such form by the owner or ultimate consignee. In such a case Customs Form 3311 shall be filed within 3 months after the date of the demand therefor upon the person in whose name the entry was filed. If the owner or ultimate consignee is a corporation, such form may be signed by the president, vice president, secretary, or treasurer of the corporation, or may be signed by any employee or agent of the corporation who holds a power of attorney executed under the conditions outlined in Subpart C, Part 141 of this chapter and a certification by the corporation that such employee or other agent has or will have knowledge of the pertinent facts. In the case of articles which are unquestionably the products of the United States and which have not been advanced in value or improved in condition, if the district director is satisfied from the character thereof or otherwise that they are free of duty under Schedule 8, Part 1, Tariff Schedules of the United States, and if the total value of the articles of American origin con-

tained in the shipment does not exceed \$250, the execution of Customs Form 3311 shall not be required therefor, except when used as an entry under paragraph (g), (h), or (i) of this section.

(c) A certificate from the master of a vessel stating that products of the United States are returned without having been unladen from the exporting vessel may be accepted in lieu of the declaration of the foreign shipper required by paragraph (a)(1) of this section.

(d) If the district director is reasonably satisfied, because of the nature of the articles, or production or other evidence, that the articles are imported in circumstances meeting the requirements of item 800.00 or 805.00, Tariff Schedules of the United States, and the related headnotes, he may waive the requirements for producing the documents specified in paragraphs (a) and (b) of this section except when Customs Form 3311 is used as an entry summary (as defined in § 141.0a(b) of this chapter) under paragraphs (g) or (h), or as an informal entry under paragraph (i).

(e) No evidence relative to the conditions of item 800.00 shall be required in the case of articles the product of the United States in use at the time of importation as the usual coverings or containers of merchandise not subject to an ad valorem rate of duty unless such articles would be dutiable if not products of the United States under General Headnote 8, Tariff Schedules of the United States.

(f) In the case of photographic films and dry plates manufactured in the United States (except motion picture films to be used for commercial purposes) exposed abroad and entered under item 805.00, the requirements of paragraphs (a), (b), and (c) of this section are applicable except that the declaration on Customs Form 3311 to the effect that the articles "are returned without having been advanced in value or improved in condition by any process of manufacture or other means" shall be crossed out, and the entrant shall show on the form that the subject articles when exported were of U.S. manufacture and are returned after having been exposed, or

exposed and developed, and, in the case of motion picture films, that they will not be used for commercial purposes. This modification shall also be made in the declaration by the foreign shipper provided for in paragraph (a)(1) of this section.

(g) *Aircraft and aircraft parts and equipment.* (1) In the case of aircraft and aircraft parts and equipment returned to the United States under item 800.00, Tariff Schedules of the United States, by or for the account of an aircraft owner or operator and intended for use in his own aircraft operations, within or outside the United States, the entry summary may be made on Customs Form 3311. The entry summary on Customs Form 3311 shall be executed by the entrant and supported by the entry documentation required by § 142.3 of this chapter. If the Customs officer is satisfied that the articles are products of the United States, that they have not been improved in condition or advanced in value while abroad, and that no drawback has been or will be paid, the other documents described in this section shall not be required, and no bond need be filed for their production.

(2) The entrant shall show on Customs Form 3311:

(i) The name and address of the aircraft owner or operator by whom or for whose account the articles are returned to the United States, in the block headed "Articles Returned To (Name and Address)".

(ii) The name of the importing vessel or conveyance.

(iii) The date of its arrival.

(iv) A description of the articles.

(v) The value of the articles, and

(vi) That the articles are intended for use by the aircraft owner or operator in his own aircraft operations.

(3) If Customs Form 3311 is filed at time of entry, it shall serve as both the entry and the entry summary.

(h) *Nonconsumable vessel stores and equipment.* (1) In the case of nonconsumable vessel stores and equipment returned to the United States under item 800.00, Tariff Schedules of the United States, the entry summary may be made on Customs Form 3311. The entry summary on Customs Form 3311 shall be executed in duplicate by

the entrant and supported, by the entry documentation required by § 142.3 of this chapter. Before an entry summary on Customs Form 3311 may be accepted for nonconsumable vessel stores and equipment, the Customs officer shall be satisfied that:

(i) The articles are products of the United States.

(ii) The articles have not been improved in condition or advanced in value while abroad.

(iii) No drawback has been or will be paid, and

(iv) No duty equal to an internal revenue tax is payable under item 804.20, Tariff Schedules of the United States.

(2) The declaration of the foreign shipper described in paragraph (a)(1) of this section and the certificate of exportation described in paragraph (a)(3) of this section shall not be required in connection with an entry for nonconsumable vessel stores and equipment on Customs Form 3311.

(3) To satisfy the Customs officer that no drawback has been or will be paid on the articles in connection with their removal from the United States, the master of the vessel or other person having knowledge of the facts shall furnish a written declaration which may be made on the reverse side of Customs Form 3311 showing that the articles were:

(i) Exported as stores or equipment on a United States vessel or a vessel operated by the United States Government,

(ii) Not landed in a foreign country, except for any needed repairs, adjustments, or refilling and return to the vessel from which landed or,

(iii) For transshipment as stores or equipment to another vessel.

(4) The entrant also shall show:

(i) The name of the importing vessel.

(ii) The date of its arrival.

(iii) A description of the articles, and

(iv) The value of the articles.

(5) If Customs Form 3311 is filed at time of entry, it shall serve as both the entry and the entry summary.

(i) When the total value of articles of claimed American origin contained in any shipment does not exceed \$250 and such articles are found to be unquestionably products of the United States and do not appear to have

advanced in value or improved in condition while abroad and no quota is involved, free entry thereof may be made under item 800.00 on Customs Form 3311, executed by the owner, importer, consignee, or agent and filed in duplicate, without regard to the requirement of a certificate of exportation or evidence of similar purport, unless the Customs officer has reason to believe that Customs drawback or exemption from internal revenue tax, or both, were probably allowed on exportation of the articles or that they are otherwise subject to duty. The entrant shall show on Customs Form 3311 the name of the importing conveyance, the date of its arrival, the name of the country from which the articles were returned to the United States, and the value of the articles. The entrant shall also produce evidence of his right to make entry (except as provided in § 142.11(b) of this chapter). If the Customs officer is not entirely certain that the articles to be entered under this paragraph by a nominal consignee are products of the United States, the actual owner or ultimate consignee thereof may be required to execute a Customs Form 3311.

(j) In the case of products of the United States, when the aggregate value of the shipment does not exceed \$10,000 and the products are imported—

(1) For the purposes of repair or alteration, prior to reexportation, or

(2) After having been either rejected or returned by the foreign purchaser to the United States for credit, free entry thereof may be made under item 800.00, Tariff Schedules of the United States, on Customs Form 3311, (a Customs Form 7501 must be submitted as well for articles, described in paragraph (b) of this and § 143.23(h) of this chapter) executed by the owner, importer, consignee, or agent and filed in duplicate, without regard to the requirement of a certificate of exportation or evidence of similar purport, unless the Customs officer has reason to believe that Customs drawback or exemption from internal revenue tax, or both, were probably allowed on exportation of the articles or that they are otherwise subject to duty. The

person making entry shall show on Customs Form 3311 the name of the importing conveyance, the date of its arrival, the name of the country from which the articles were returned to the United States, and the value of the articles. The person making entry shall also produce evidence of his right to make entry (except as provided in § 141.11(b) of this chapter). If the Customs officer is not entirely certain that the articles to be entered under this paragraph by a nominal consignee are products of the United States, the actual owner or ultimate consignee thereof may be required to execute a Customs Form 3311.

[T.D. 72-119, 37 FR 3887, May 2, 1972 as amended by T.D. 78-99, 43 FR 13060, Mar. 29, 1978; 43 FR 20003, May 10, 1978; T.D. 79-221, 44 FR 48812, Aug. 9, 1979; T.D. 83-82, 48 FR 14596, Apr. 5, 1983]

§ 10.3 Drawback; internal-revenue tax.

(a) Except as prescribed in § 10.1(f) or in paragraphs (c) and (f) of this section, no free entry shall be allowed under schedule 8, part 1, Tariff Schedules of the United States, in the final liquidation of an entry unless the district director of Customs is satisfied by the certificate of exportation or other evidence or information that no drawback was allowed in connection with the exportation from the United States, and unless no internal-revenue tax is imposed on the importation of like articles not previously exported from the United States or, if such tax is being imposed at the time of entry for consumption or withdrawal from warehouse for consumption, the district director of Customs is satisfied that an internal-revenue tax on production or importation was paid in respect of the imported article before it was exported from the United States and was not refunded. Except as provided for in § 10.1(f), when it is impracticable, because of the destruction of Customs records or other circumstances, to determine whether drawback was allowed, or the amount of drawback allowed, with respect to an article established to be a returned product of the United States which has not been advanced in value or improved in condition while abroad,

there shall be assessed on the returned article an amount of duty determined as follows:

(1) If there is any likelihood that drawback was allowable on the exportation of like articles at any time when the imported article may have been exported from the United States, the estimated amount of any drawback which would have been allowable if duty had been paid on any foreign merchandise likely to have been used in the manufacture of the returned article at the rate or rates applicable to such foreign merchandise on the date of importation of the returned article (see paragraph (b) of this section), and

(2) If there is any likelihood that a refund or remission of tax was allowed on the exportation of the returned article, the amount of any internal-revenue tax which would be payable at the time of importation if the returned article were wholly of foreign origin, but in no such case shall there be assessed more than an amount equal to the duty and tax that would apply if the returned article were wholly of foreign origin and originally imported. (See § 10.7(a).) Except as provided for in § 10.1(f), if the imported article is of a kind which would be subject to an internal-revenue tax if of foreign origin and payment of an internal-revenue tax before exportation without refund thereof is not established, duty shall be assessed on the imported article in an amount equal to the internal-reve-

nue tax imposed at the time of entry for consumption or withdrawal from warehouse for consumption on like articles of foreign origin, plus the amount of any drawback allowed on the exportation of the article from the United States; but if no drawback was allowed, the duty equal to internal-revenue tax shall be the total duty to be assessed. If an allowance of drawback on the exportation from the United States of the imported article is established, duty shall be assessed in an amount equal to such drawback, plus an amount equal to any internal-revenue tax which may be assessable in accordance with this paragraph; but in no case shall duty equal to drawback, or to drawback and internal-revenue tax, be assessed in an amount in excess of the ordinary Customs duty and internal-revenue tax applicable to like articles of foreign origin. In any case, where payment of internal-revenue tax before exportation without refund thereof is established, no duty equal to an internal-revenue tax currently in force shall be assessed.

(b) In the absence of satisfactory evidence as to the nonallowance of drawback or the amount thereof allowed on the following articles of American manufacture or production, duty shall be assessed thereon in the amounts respectively indicated, the amount shown in each case being considered the fair average amount of drawback allowed on such articles:

Article	Duty assessment
Drums, metal (when not exempt from duty in accordance with sec. 10.3(c))	24 cents each.
Hosiery, nylon	45 cents per dozen.
Lead compound, tetraethyl	\$0.008 per pound.
Lithopone	\$0.00143 per pound.
Crude, zinc	\$0.0085 per pound.
Piece goods, cotton:	
Bleached	\$0.02675 per square yard.
Dyed	\$0.02886 per square yard.
Printed	\$0.02697 per square yard.
Piece goods, rayon:	
Dyed	\$0.24320 per square yard.
Piece goods, nylon:	
Printed	\$0.04070 per square yard.
Other than printed (wines, piece dyed or yarn dyed)	\$0.07068 per square yard.
Tallow, refined, inedible	\$0.007 per pound.

(c) The following articles shall be admitted free of duty, even though exported from the United States with benefit of drawback:

(1) Any article of a kind which would be admitted free of duty otherwise than under Schedule 8, Part 1,

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Tariff Schedules of the United States if of foreign origin:

(2) Substantial containers or holders of domestic manufacture, including shooks and staves when returned as boxes or barrels, when in use at the time of importation as the usual containers of merchandise:

(3) Any article provided for in items 804.10 or 804.20 Tariff Schedules of the United States, with respect to which the district director has determined that the collection of duty under such items 804.10 or 804.20 would involve an expense and inconvenience to the Government disproportionate to the probable amount of such duty; and

(4) Other articles of domestic manufacture which are in use at the time of importation as the usual coverings or containers of merchandise not subject to an ad valorem rate of duty, and which have not been advanced in value or improved in condition while abroad by any process of manufacture or other means.¹

(d) Articles manufactured or produced in the United States in a Customs bonded warehouse and exported shall be subject on reimportation to a duty equal to the total duty and internal-revenue tax, if any, imposed at the time of entry for consumption or withdrawal from warehouse for consumption with respect to the importation of like articles not previously exported from the United States.

(e) Animals straying across the border or driven across the border for pasturage purposes or for feeding to improve them for the market and not returned within 8 months are excluded from free entry as domestic products returned.

(f) Tobacco products and cigarette papers and tubes classifiable under item 804.20, Tariff Schedules of the United States, may be released from customs custody without the payment of that part of the duty attributable to the internal-revenue tax for return to internal-revenue bond as provided by section 3704(d) of the Internal Revenue Code of 1954.

¹Filling, sealing, and labeling are held to advance the value of the contents rather than that of the container.

[28 FR 14663, Dec. 31, 1963, as amended by T.D. 98-104, 33 FR 3616, Apr. 11, 1968; T.D. 83-240, 48 FR 33098, Nov. 25, 1983]

§ 10.4 Internal-revenue marks: erasure.

Internal-revenue brands or marks on casks or other containers previously exported from the United States must be erased at the importer's expense under Customs supervision before their delivery from Customs custody.

§ 10.5 Shooks and staves: cloth boards; district director's account.

(a) Shooks and staves produced in the United States and returned in the form of complete boxes or barrels in use as the usual containers of merchandise are exempt from any duties imposed by the tariff laws upon similar containers made of foreign shooks or staves, provided their identity is established under the regulations in this part.

(b) The term "shook" embraces only shooks which at the time of exportation from this country are ready to be assembled into boxes or barrels without further cutting to size; except that box shooks may be exported in double lengths and cut abroad. The number of boxes made from such shooks which may be imported into this country free of duty cannot exceed the number of complete sets of shooks exported.

(c) (Reserved)

(d) An exporter of shooks or staves in respect of which free entry is to be claimed when returned as boxes or barrels shall file in triplicate with the district director at the port of exportation, at least 8 hours before the landing of the articles on the exporting vessel, a notice of intent to export, Customs Form 3311.

(e) The certificate of exportation block of Customs Form 3311 shall be completed in triplicate by the district director after verification from the manifest of the exporting vessel and the return of the lading officer. The original shall be forwarded by the district director to the consignee. The duplicate copy shall be given to the exporter and the triplicate copy shall be retained.

(f) Whenever boxes or barrels alleged to have been manufactured from

American shooks or staves are shipped to the United States from a person abroad other than the one to whom they were exported from the United States, the importer shall be required to obtain from the foreign consignee to whom the shooks or staves were originally exported from this country the certificate or certificates, Customs Form 3311, covering the exportation of the shooks or staves from the United States, or an extract therefrom signed by such consignee, showing the number of shooks or staves covered by such certificate or certificates, together with the number of superficial feet of such shooks or staves. Such Form 3311, or extract therefrom, shall be filed by the importer in connection with the entry of the boxes or barrels.

(g) Accounts shall be kept by the district director at the port of exportation of the shooks and staves as to each exportation thereof and as to the returns thereof in boxes, barrels, etc. Notifications of such returns shall be given to the port of exportation by the district director at the port of importation. When returns in the form of boxes, barrels, etc., entirely account for the shooks and staves exported as shown on the appropriate Customs Form 3311, the district director maintaining the account shall so inform the district director making inquiry about the merchandise being imported and alleged to contain shooks or staves covered by the particular exportation.

(h) A record of cloth boards of domestic manufacture exported¹ to be wrapped with foreign textiles shall be kept by district director in a similar manner as for shooks and staves. If such boards are advanced in value or improved in condition while abroad, free entry shall be denied on importation.

[28 FR 14663, Dec. 31, 1963, as amended by T.D. 78-99, 43 FR 13060, Mar. 29, 1978]

§ 10.6 Certificates of foreign shipper and box maker.

(a) A foreign shipper desiring to export to the United States boxes or

¹Cloth boards of domestic manufacture are conditionally free of duty under Schedule 8, Part I, Tariff Schedules of the United States. See footnote 1 of this part.

barrels alleged to have been made from American shooks shall execute and send with the invoice covering the merchandise contained in such boxes or barrels a certificate of the foreign shipper, stating that the boxes or barrels were made from American shooks or staves, and identifying the latter with the certificate covering their exportation from the United States. This foreign shipper's certificate shall be in the following form:

I, _____, of _____, do hereby certify that to the best of my knowledge and belief the boxes and (or) barrels mentioned in (the annexed invoice)* (Invoice No. _____, of _____, 19--) are made (wholly)* (except for the ends and partitions)* of shooks (or staves) of the manufacture of the United States, as stated in the accompanying certificate of _____, box maker; that the shooks (or staves) were exported from _____, per S.S. _____, on _____, 19--, and that the said boxes (or barrels) (will be)* (have been)* (filed with _____, covered by the above-mentioned invoice, and (will be)* (have been)* shipped to the port of _____ in the United States, per S.S. _____, sailing from _____, on _____, 19--.

Dated at _____ this _____ day of _____, 19--.

(Shipper)

(b) There shall be annexed to the certificate of the foreign shipper, on the same or a separate form, a certificate of the box maker, stating that the boxes or barrels were made from American shooks or staves and showing the number of boxes or barrels in the shipment, the dimensions of each, and number of shooks or staves of each size, together with the number of superficial feet of lumber used. This certificate shall be in the following form:

I, _____, of _____, do hereby certify that the boxes and (or) barrels mentioned in the annexed certificate of foreign shipper were made by me (wholly)* (except for the ends and partitions)* from shooks (or staves) of the manufacture of the United States as follows:

*Cross out inapplicable words.

Number of boxes or barrels	Dimensions	Number of shooks or staves used and size thereof	Number of superficial feet used

Dated _____ at _____,
this _____ day of _____,
19____.

(Box maker)

(c) If a claim accompanied by an appropriately modified Customs Form 3311 is made by the importer at the time of filing the entry for an exemption from duty on account of boxes or barrels made from American shooks or staves, the certificate of the foreign shipper with the annexed certificate of the box maker may be accepted if produced at any time prior to the liquidation of the entry. Upon receipt, from the district director at the port of exportation of the shooks and staves, of corroboration that the records of exportation do not conflict materially with such claim, the exemption may be allowed. If the claim for an exemption is disallowed in full or in part, the importer may file a request within 15 days of the date of the district director's notice to him of any disallowance, for referral of the question to the Commissioner of Customs for review.

§ 10.7 Substantial containers or holders.

(a) Substantial containers or holders, which are products of the United States, which are of the usual and ordinary types used in the shipment or transportation of goods, which are reusable for such purposes, and which are imported containing or holding merchandise, shall be entered under the general regulations governing the free entry of domestic products exported and returned. When such containers or holders are imported not containing or holding merchandise they may be admitted without entry if readily identifiable as products of the United States.

(b) Substantial containers or holders, which are of foreign production and previously imported duty paid,

which are of the usual or ordinary types used in the shipment or transportation of goods, which are reusable for such purpose, and which are imported containing or holding merchandise, shall be exempt from duty if (1) exported in accordance with the regulations contained in § 10.5 (d) and (e), and (2) there is filed in connection with the entry a certificate of the foreign shipper in the form prescribed by paragraph (c) of this section.

(c) The certificate to be furnished by the foreign shipper for the use of the district director at the port of entry shall be in the following form:

I, _____, of _____, do hereby certify that to the best of my knowledge and belief the substantial containers and holders mentioned in (the annexed invoice) (invoice No. _____ of _____, 19____) are of the manufacture of _____ and were exported from the United States at the port of _____, per S.S. _____ on _____, 19____, and that the same are being returned to the United States (empty) filled with _____ (holdings _____).

Shipper

(d) The district director, after verification of the foreign shipper's certificate with the records of the district director at the port of exportation in this country, shall allow free entry to the extent the basis for such allowance is verified. The procedure in the last two sentences of § 10.6(c) shall be applicable.

(e) If claim for exemption from duty for such containers or holders of foreign production previously imported duty paid is made at the time of entry, the certificate of the foreign shipper may be accepted if produced at any time prior to the liquidation of the entry.

(f) When such containers or holders of foreign production previously imported duty paid are reimported empty, they may be admitted without entry if readily identifiable as having been previously imported duty paid.

*Cross out inapplicable words.

(28 FR 14663, Dec. 31, 1963, as amended by T.D. 82-145, 47 FR 35473, Aug. 18, 1982; T.D. 86-118, 51 FR 22515, June 20, 1986)

§ 10.8 Articles exported for repairs or alterations.

(a) Before exporting articles which are subject on return to the United States to duty on the value of the repairs or alterations performed abroad, as provided for in item 806.20, Tariff Schedules of the United States, a Certificate of Registration (top portion of Customs Form 4455) shall be filed (in an original only) by the owner or exporter with the district director before the departure of the exporting conveyance. This procedure will permit the district director to examine the articles before they are exported. The applicant shall be notified by the district director of the place to which he shall deliver the articles for examination. All expense in connection with the delivery of the articles, cording, sealing, marking, and transfer to the exporting conveyance, shall be paid by the exporter. Except for those articles exported by mail which can be identified by manufacturer's mark or number, the district director may require the articles to be exported under Customs supervision. If supervision is required, a photograph of the article or some other means of identification, shall be furnished to the Customs officer.

(b) When the report of the Customs officer showing the examination of the articles and their lading on the exporting conveyance or their delivery for mailing has been endorsed on the Customs Form 4455 covering such articles, the form shall be given to the exporter for use in connection with the return of the articles. If the articles are being exported through the mails and the Customs Form 4455 has been completed in duplicate, the Customs officer shall enclose the duplicate copy of the form in the package being exported. The owner or exporter, in all other cases, may enclose a duplicate copy of the certificate with the articles being exported in any other manner for repairs or alterations. In order to facilitate the entry of articles, regardless of the mode of exportation, the foreign shipper may include a duplicate copy of the registration certificate,

completed prior to exportation, in the returned package.

(c) When an exporter resides more than 20 miles from a Customs office, articles being exported for repairs or alterations through the mail, may, in accordance with the following procedures which have been approved by the Post Office Department, be exported through a local post office:

(1) The articles shall be delivered to the postmaster in an unpacked condition;

(2) Customs Form 4455 completed in original and duplicate shall be presented to the postmaster with the articles;

(3) The original Customs Form 4455 with the Certificate of Registration executed by the postmaster shall be returned to the exporter for use, if necessary, in clearing articles on their return to the United States;

(4) The duplicate Form 4455 shall be enclosed in the parcel with the articles being exported and shall accompany the articles on their return to the United States to facilitate processing the entry; and

(5) The exporter shall bear all expense incurred under this procedure, including charges assessed by the U.S. Postal Service.

(d) When articles other than those exported by mail or parcel post are examined and registered at one port and exported for repair or alterations through another port, the district director may require proof of exportation in those cases where the Customs Form 4455 does not reflect that the subject articles were exported under Customs supervision.

(e) There shall be filed in connection with an entry covering articles entered under the provisions of item 806.20, a declaration from the person who performed such repairs or alterations in substantially the following form:

(Place and date)
I, _____, declare that the articles herein specified are the articles which, in the condition in which they were exported from the United States, were received by me (us) on _____, 19____, from _____ (Name and address of owner or exporter in the United States); that they were received by me (us) for the sole purpose of being repaired or al-

tered; that only the repairs or alterations described below were performed by me (us); that the full cost or (when no charge is made) fair market value of such repairs or alterations are correctly stated below; and that no substitution whatever has been made to replace any of the articles originally received by me (us) from the owner or exporter thereof mentioned above.

Wares and numbers	Description of articles and of repairs or alterations	Full cost or (when no charge is made) fair market value of repairs or alterations ¹	Total value of articles after repairs or alterations
(Date)			(Signature)
(Address)			(Capacity)

¹ See Headnote 2, Part 18, Schedule 8, Tariff Schedules of the United States.

(f) There shall be filed in connection with the entry the Certificate of Registration (Customs Form 4455) and a declaration made by the owner, importer, consignee, or agent having knowledge of the facts that the articles entered in their repaired or altered condition are the same articles covered by the Certificate of Registration. This declaration shall also show that the full cost or (when no charge is made) fair market value of the repairs or alterations is correctly stated in the entry. When all of the merchandise covered by the Certificate of Registration (Customs Form 4455) is not entered at one time or at one port of entry, in the case of importations not exceeding \$250 in value, the district director at the port where any portion of the merchandise is entered shall note the quantity entered on the registration certificate and return the certificate to the submitter thereof for use in connection with any further importation covered by such certificate.

(g) When all the merchandise covered by a Certificate of Registration (Customs Form 4455) is not entered at one time or at one port of entry, in the case of importations valued in excess of \$250, there shall be filed with the

entry at the time of entry the certification of the owner, importer, consignee, or agent having knowledge of the facts, that the articles entered in their repaired or altered condition are a portion of the articles covered by such Certificate of Registration. This certification shall be filed in lieu of the Certificate of Registration (Customs Form 4455), in the following form:

I hereby certify that the merchandise covered by entry No. _____ dated _____ is a portion of the merchandise exported under Customs Form 4455 (Certificate of registration No.) dated _____ to _____ (Name of foreign consignee) _____, for the purpose and with the intent of _____ (Repairing or altering) the articles in the foreign country. I further certify that original Customs Form 4455 has been charged with the quantities herein, identified with the entry and port, and will be maintained at _____ (Firm and address)

for a period of 5 years from the date of the related entry of the merchandise covered by such Certificate of Registration, for verification by appropriate Customs officers.

(h) The Certificate of Registration (Customs Form 4455) referred to in paragraph (g) of this section shall be retained by the firm therein referred to for a period of 5 years from the date of the related entry of the merchandise covered by the Certificate of Registration for verification by appropriate Customs officers. Each quantity entered shall be accounted for in such a manner as to identify the specific entry (entry number), and port of entry, with the total quantity of the exported articles on the reverse side of the Certificate of Registration (Customs Form 4455) until the total quantity has been entered.

(i) If the district director concerned is satisfied because of the nature of the articles, or production of other evidence, that the articles are imported under circumstances meeting the requirements of item 806.20 and related headnotes, he may waive the declaration provided for in paragraphs (e) and (f) of this section.

(j) In the event there has been compliance with registration requirements set forth in paragraph (a) of this section and Customs Form 4455 is not

available at the time of entry, the district director may waive the production of Customs Form 4455 provided the merchandise is entered at one time at one port of entry, and he is satisfied that the returned merchandise meets the requirements of item 806.20 and related headnotes.

(k) In any case where an imported article was exported for repairs or alterations without compliance with the registration requirements of this section, the district director, only if satisfied that the returned article is entitled to entry under item 806.20, TSUS, may waive the production of the Customs Form 4455. The importer may establish eligibility for entry under item 806.20, TSUS, by providing sufficient documentation to Customs to prove actual exportation of the article from the U.S., such as a foreign customs entry, a foreign customs invoice, a foreign landing certificate, bill of lading, or airway bill. The district directors may require such additional documentation as is deemed necessary as proof of exportation. The district director may also, in his discretion, waive the registration requirements of this section, prior to exportation of the articles, upon application in writing by an exporter-importer located within his district when it is indicated that the duty on merchandise would be less than \$25 if not within the purview of item 806.20 and it is indicated that the shipment on its return to the United States will be covered by a mail or other informal entry. Customs Form 4455, appropriately modified, may be used by the district director in issuing the waiver.

(l) The district director shall require at the time of entry a deposit of estimated duties based upon the full cost or fair market value, as the case may be, of the repairs or alterations. The cost or fair market value, as the case may be, of the repairs or alterations outside the United States, which is to be set forth in the invoice and entry papers as the basis for the assessment of duty under item 806.20, shall be limited to the cost or value of the repairs or alterations actually performed abroad, which will include all domestic and foreign articles furnished for the repairs or alterations, but shall not in-

clude any of the expenses incurred in this country whether by way of engineering costs, preparation of plans or specifications, and furnishing of tools or equipment for doing the repairs or alterations abroad or otherwise.

(T.D. 72-119, 37 FR 8869, May 2, 1972, as amended by T.D. 79-159, 44 FR 31967, June 4, 1979; T.D. 82-49, 47 FR 12180, Mar. 22, 1982; T.D. 85-182, 50 FR 38976, Sept. 26, 1985)

§ 10.8a Imported articles exported and reimported.

(a) In addition to regular entry procedures, supplementary documentation is required in connection with duty-free entries under item 801.10, Tariff Schedules of the United States (19 U.S.C. 1202), of articles which were originally entered duty paid, removed from Customs custody, and subsequently exported, if:

(1) The articles were exported within 3 years after the date of the previous importation.

(2) The articles were not advanced in value or improved in condition by any process of manufacture or other means while abroad.

(3) The articles did not conform to sample or specifications abroad.

(4) The articles are reimported by or for the account of the person who imported them into and exported them from the United States.

(b) The following supplementary documents shall be filed in connection with the entry of articles claimed to be free of duty under item 801.10, Tariff Schedules of the United States:

(1) A declaration by the person abroad who received and is returning the merchandise to the United States, in substantially the following form:

I declare that the _____ (Description of articles) were received by me from _____ (Name and address of U.S. exporter), that they have not been advanced in value or improved in condition by any process of manufacture or other means and are being returned to _____ (Name and address of consignee in the United States) because they do not conform to sample or specifications for the following reasons: _____

(Date) (Signature)

(Address) (Title)

(2) A declaration by the owner, importer, consignee, or agent, in substantially the following form:

I declare that the _____ (Description of articles) were previously imported into the United States at the Port of _____ (Name of port), Entry No. _____, on _____ (Date of entry) by _____ (Name and address of importer) at which time duty was paid; that they were exported from the United States at the Port of _____ (Name of port) on _____ (Date of exportation) by _____ (Name and address of exporter) without benefit of drawback; that the articles are being reimported by or for the account of _____, and, that the attached declaration from _____ (Name of foreign shipper) is correct in every respect.

(Date) (Signature)

(Address) (Title)

(c) If the district director concerned is reasonably satisfied because of the nature of the articles or production of other evidence that the requirements of item 801.10, Tariff Schedules of the United States, and the related headnotes have been met, he may waive the production of the documents provided for in paragraph (b) of this section.

(T.D. 72-221, 37 FR 17469, Aug. 29, 1972)

§ 10.9 Articles exported for processing.

(a) Before the exportation of articles subject, on return to the United States, to duty on the value of the processing performed abroad as provided for in item 806.30, a certificate of registration (top portion of Customs Form 4455), shall be filed (in an original only), by the owner or exporter with the District Director of Customs at a time prior to the departure of the exporting conveyance which will permit an examination of the articles.

A statement shall be included on the reverse side of Customs Form 4455 by the exporter or owner substantially as follows:

The articles described in this certificate were manufactured in the United States by _____ (Name and address) or, if of foreign origin, were subjected to _____ (show processes of manufacture, such as molding, casting, machining, etc.) in the United States by _____ (Name and address). The articles in their changed conditions will be returned for further processing by _____ (Name and address); or, if further processing of the articles in the United States will be performed by a person not presently known, the reasons for believing the articles will be returned for further processing are _____

_____ and the reason the person is not presently known is _____

(b) The applicant shall be notified by the district director of the place to which he shall deliver the articles for examination. All expense in connection with the delivery of the articles, cording, sealing, marking, and transfer to the exporting conveyance, shall be borne by the exporter. The articles shall be exported under Customs supervision, except those articles exported by mail which can be identified by manufacturer's mark or number. A photograph or other means of identification shall be furnished when required by the Customs officer.

(c) When the report of the Customs officer showing the examination of the articles and their lading on the exporting conveyance or their delivery for mailing has been endorsed on the Customs Form 4455 covering such articles, the form shall be given to the exporter for use in connection with the return of the articles. If the articles are being exported through the mails and the Customs Form 4455 (Certificate of Registration) has been completed in duplicate, the Customs officer shall enclose the duplicate copy of the form in the package being exported. The owner or exporter, in all other cases, may enclose a duplicate copy of the certificate with the articles being exported in any manner for processing. In order to facilitate the entry of an article, regardless of the mode of

exportation, the foreign shipper may include a duplicate copy of the registration certificate, completed prior to exportation, in the returned package.

(d) When articles other than those exported by mail or parcel post are examined and registered at one port and exported for processing through another port, they shall be forwarded to the port of exportation under a transportation and exportation entry.

(e) There shall be filed in connection with an entry covering articles entered under the provisions of item 806.30, a declaration by the person who performed the processing abroad in substantially the following form:

I, _____ (Place and date) declare that the articles herein specified are the articles which, in the condition in which they were exported from the United States, were received by me (us) on _____, 19____, from _____ (Name and address of owner or exporter in the United States); that they were received by me (us) for the sole purpose of being processed; that only the processing described below was effected by me (us); that the full cost or (when no charge is made) fair market value of such processing and the value of the articles after processing are correctly stated below; and that no substitution whatever has been made to replace any of the articles originally received by me (us) from the owner or exporter thereof mentioned above.

Marks and numbers	Description of articles and of processing	Full cost or (when no charge is made) fair market value of processing ¹	Total value of article after processing

¹ See Harmonized Tariff Schedule of the United States.

(f) There shall be filed in connection with the entry the Certificate of Registration (Customs Form 4455) and a declaration made by the owner, importer, consignee, or agent having knowledge of the facts that the articles entered in their processed condition are the same articles covered by the Certificate of Registration. This declaration shall also show that the

full cost or (when no charge is made) fair market value of the processing is correctly stated in the entry. There shall be included a concise statement as to the nature of the processing performed outside the United States immediately prior to the current importation and to the processing to be performed thereafter in the United States, showing the name and address of the processor who will do the subsequent processing. When all of the merchandise covered by the Certificate of Registration (Customs Form 4455) is not entered at one time or at one port of entry, in the case of importations not exceeding \$250 in value, the district director at the port where any portion of the merchandise is entered shall note the quantity entered on the registration certificate and return the certificate to the submitter thereof for use in connection with any further importation covered by such certificate.

(g) When all the merchandise covered by the Certificate of Registration (Customs Form 4455) is not entered at one time or at one port of entry, in the case of importations valued in excess of \$250, there shall be filed with the entry at the time of entry the certification of the owner, importer, consignee, or agent having knowledge of the facts, that the articles entered in their processed condition are a portion of the articles covered by such certificate of registration. This certificate shall be filed in lieu of the Certificate of Registration (Customs Form 4455) in the following form:

I hereby certify that the merchandise covered by entry No. _____ dated _____, is a portion of the merchandise exported, under _____ Customs Form 4455—(Certificate of registration No.) dated _____, to _____ (Name of foreign consignee), for the purpose and with the intent of processing the metal articles in the foreign country and the further processing of the metal articles upon subsequent importation into the United States.

I further certify that original Customs Form 4455 has been charged with the quantities herein, identified with the entry and port, and will be maintained at _____

(Firm and address)

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for a period of 5 years from the date of the related entry of the merchandise covered by such Certificate of Registration, for verification by appropriate Customs officers.

(h) The Certificate of Registration (Customs Form 4455) referred to in paragraph (g) of this section shall be retained by the firm therein referred to for a period of 5 years from the date of the related entry of the merchandise covered by the Certificate of Registration for verification by appropriate Customs officers. Each quantity entered shall be accounted for in such a manner as to identify the specific entry (entry number), and port of entry with the total quantity of the exported articles on the reverse side of the Certificate of Registration (Customs Form 4455) until the total quantity has been entered.

(i) If the district director concerned is satisfied, because of the nature of the articles or production of other evidence, that the articles are imported in circumstances meeting the requirements of item 806.30 and related headnotes, he may waive the declaration provided for in paragraphs (e) and (f) of this section.

(j) In the event there has been compliance with the registration requirements (Customs Form 4455) set forth in paragraph (a) of this section and such form (Customs Form 4455) is not available at the time of entry, the district director may waive the production of Customs Form 4455 provided the merchandise is entered at one time at one port of entry, and he is satisfied that the returned merchandise meets the requirements of item 806.30, Tariff Schedules of the United States, and the related headnotes.

(k) In any case where an imported article was exported for processing without compliance with the registration requirements of this section, the district director, only if satisfied that the returned article is entitled to entry under item 806.30, TSUS, may waive the Customs Form 4455. The importer may establish eligibility for entry under item 806.30, TSUS, by providing sufficient documentation to Customs to prove actual exportation of the article from the U.S., such as foreign customs entry, a foreign customs invoice, a foreign landing certifi-

cate, bill of lading, or airway bill. The district director may require such additional documentation as is deemed necessary as proof of exportation. The district director may also, in his discretion, waive the registration requirements of this section, prior to exportation of the articles, upon application in writing by an exporter-importer located within his district when it is indicated that the duty on the merchandise would be less than \$25 if not within the purview of item 806.30, and it is indicated that the shipment on its return to the United States will be covered by a mail or other informal entry. Customs Form 4455, appropriately modified, may be used by the district director in issuing the waiver.

(l) The district director shall require at the time of entry a deposit of estimated duties based upon the full cost or fair market value, as the case may be, of the processing. The cost or fair market value, as the case may be, of the processing outside the United States which is set forth in the invoice and entry papers as the basis for the assessment of duty under item 806.30, shall be limited to the cost or value of the processing actually performed abroad (including all domestic and foreign articles used in the processing, but does not include the exported United States metal article) and shall not include any of the expenses incurred in this country, whether by way of engineering costs, preparation of plans or specifications, and the furnishing of tools or equipment for doing the processing abroad, or otherwise.

(T.D. 72-119, 37 FR 8870, May 2, 1972, as amended by T.D. 73-136, 38 FR 13481, May 22, 1973; T.D. 79-159, 44 FR 31967, June 4, 1979; T.D. 85-162, 50 FR 38977, Sept. 26, 1985)

§ 10.10 Newsreel films.

Where free entry is claimed for newsreel films under the provisions of item 724.05, Tariff Schedules of the United States, there shall be fur-

“Newsreels, not developed, of current events abroad . . .” (Item 724.05, Tariff Schedules of the United States.)

nished in connection with the entry a statement of the cameraman, shipper, or other person having knowledge of the facts, identifying the films with the invoice and stating that the basic films have to the best of his knowledge and belief been exposed abroad and that they are shipped for use as newsreel of current events abroad. The invoice shall state the footage and title of each subject.

ARTICLES ASSEMBLED ABROAD WITH UNITED STATES COMPONENTS

§ 10.11 General.

(a) Section 10.12 through 10.23 set forth definitions, and interpretative regulations adopted by the Commissioner of Customs pertaining to the construction of item 807.00, Tariff Schedules of the United States (19 U.S.C. 1202) and related provisions of law. These provisions concern claims for the exemption from duty provided by item 807.00, Tariff Schedules of the United States (19 U.S.C. 1202), for American-made fabricated components which are returned to the United States as parts of articles assembled abroad. The examples included in these sections described specific situations in which the exemption may or may not be applicable. The definitions and regulations that follow are promulgated to inform the public of the constructions and interpretations that the United States Customs Service shall give to relevant statutory terms and to assure the impartial and uniform assessment of duties upon merchandise claimed to be partially exempt from duty under item 807.00, Tariff Schedules of the United States (19 U.S.C. 1202), at the various ports of entry. Nothing in these regulations purports or is intended to restrict the legal right of importers or others to a judicial review of the matters contained therein.

(b) Section 10.24 sets forth the documentary requirements applicable to the entry of assembled articles claimed to be subject to the exemption provided under item 807.00, Tariff Schedules of the United States (19 U.S.C. 1202). Allowance of an importer's claim is dependent upon meeting the statutory requirements for the ex-

emption under item 807.00 and his complying with the documentary requirements set forth in § 10.24.

(T.D. 75-230, 40 FR 43021, Sept. 18, 1975)

§ 10.12 Definitions.

As used in §§ 10.11 through 10.24, the following terms shall have the meanings indicated:

(a) *American-made.* The term “American-made” is used to refer to a product of the United States as defined in paragraph (e) of this section.

(b) *Assembly.* “Assembly” means the fitting or joining together of fabricated components.

(c) *Exemption.* “Exemption” means the deduction of the cost or value of products of the United States which were assembled abroad in accordance with the requirements of item 807.00, Tariff Schedules of the United States (19 U.S.C. 1202), from the full value of the assembled article.

(d) *Fabricated component.* “Fabricated component” means a manufactured article ready for assembly in the condition as exported except for operations incidental to the assembly.

(e) *Product of the United States.* A “product of the United States” is an article manufactured within the Customs territory of the United States and may consist wholly of United States components or materials, of United States and foreign components or materials, or wholly of foreign components or materials. If the article consists wholly or partially of foreign components or materials, the manufacturing process must be such that the foreign components or materials have been substantially transformed into a new and different article, or have been merged into a new and different article.

(T.D. 75-230, 40 FR 43021, Sept. 18, 1975)

§ 10.13 Statutory provision: Item 807.00, Tariff Schedules of the United States (19 U.S.C. 1202).

Item 807.00, Tariff Schedules of the United States (19 U.S.C. 1202), provides that articles assembled abroad in whole or in part of fabricated components, the product of the United States, which (a) were export-

ed in condition ready for assembly without further fabrication, (b) have not lost their physical identity in such articles by change in form, shape, or otherwise, and (c) have not been advanced in value or improved in condition abroad except by being assembled and except by operations incidental to the assembly process such as cleaning, lubricating, and painting, are subject to a duty upon the full value of the imported article, less the cost or, if no charge is made, the value of such products of the United States. The rate of duty which is assessed upon the dutiable portion of the imported article is that which is applicable to the imported article as a whole under the appropriate provision of the Tariff Schedules of the United States (19 U.S.C. 1202) for such article. If that provision requires a specific or compound rate of duty, the total duties assessed on the imported article are reduced in such proportion as the cost or value of the returned United States components which qualify for the exemption bears to the full value of the assembled article.

Example 1. A transistor radio is assembled abroad from foreign-made components and American-made transistors. Upon importation, the transistor radio is subject to the ad valorem rate of duty applicable to transistor radios upon the value of the radio less the cost or value of the American-made transistors assembled therein.

Example 2. A solid-state watch movement is assembled abroad from foreign-made components and an American-made integrated circuit. If the movement in question is subject to the specific rate of duty of 75 cents if the value of the assembled movement is \$30, and if the value of the American-made integrated circuit is \$10, then the value of the integrated circuit represents one third of the total value of the assembled article and the duty on the assembled article will be reduced by one third (\$25). Therefore, the duty on the assembled movement is 50 cents.

(T.D. 75-230, 40 FR 43021, Sept. 18, 1975)

§ 10.14 Fabricated components subject to the exemption.

(a) *Fabricated components, the product of the United States.* Except as provided in § 10.15, the exemption provided under item 807.00, Tariff Schedules of the United States (19 U.S.C. 1202), applies to fabricated components, the

product of the United States. The components must be in condition ready for assembly without further fabrication at the time of their exportation from the United States to qualify for the exemption. Components will not lose their entitlement to the exemption by being subjected to operations incidental to the assembly either before, during, or after their assembly with other components. Materials undefined in final dimensions and shapes, which are cut into specific shapes or patterns abroad are not considered fabricated components.

Example 1. Articles identifiable in their exported condition as components or parts of the article into which they will be assembled, such as transistors, diodes, integrated circuits, machinery parts, or precut parts of wearing apparel, are regarded as fabricated components.

Example 2. Prestamped metal lead frames for semiconductor devices exported in multiple unit strips in which the individual frame units are connected to each other, or integrated circuit wafers containing individual integrated circuit dice which have been scribed or scored in the United States, are regarded as fabricated components. The separation of the individual frames by cutting, or the segmentation of the wafer into individual dice by flexing and breaking along scribed or scored lines, is regarded as an operation incidental to the assembly process.

Example 3. Wires of various type, electrical conductors, metal foils, insulating tapes, ribbons, findings used in dressmaking, and similar products, which are in a finished state when exported from the United States, and are ready for use in the assembly of the imported article, are regarded as fabricated components if they are only cut to length or subjected to operations incidental to the assembly process while abroad.

Example 4. Uncut textile fabrics exported in bolts from which wearing apparel components will be cut according to a pattern are not regarded as fabricated components. Similarly, other materials, such as lumber, leather, sheet metal, plastic sheeting, exported in basic shapes and forms to be fabricated into components for assembly, are not eligible for treatment as fabricated components.

(b) *Substantial transformation of foreign-made articles or materials.* Foreign-made articles or materials may become products of the United States if they undergo a process of manufacture in the United States

which results in their substantial transformation. Substantial transformation occurs when, as a result of manufacturing processes, a new and different article emerges, having a distinctive name, character, or use, which is different from that originally possessed by the article or material before being subject to the manufacturing process. The mere finishing or modification of a partially or nearly complete foreign product in the United States will not result in the substantial transformation of such product and it remains the product of a foreign country.

Example 1. A cast metal housing for a valve is made in the United States from imported copper ingots, the product of a foreign country. The housing is a product of the United States because the manufacturing operations performed in the United States to produce the housing resulted in a substantial transformation of the foreign copper ingots.

Example 2. An integrated circuit device is assembled in a foreign country and imported into the United States where its leads are formed by bending them to a specified angle. It is then tested and marked. The imported article does not become a product of the United States because the operations performed in the United States do not result in a substantial transformation of the foreign integrated circuit device.

Example 3. A circuit board assembly for a computer is assembled in the United States by soldering American-made and foreign-made components onto an American-made printed circuit board. The finished circuit board assembly has a distinct electronic function and is ready for incorporation into the computer. The foreign-made components have undergone a substantial transformation by becoming permanent parts of the circuit board assembly. The circuit board assembly, including all of its parts is regarded as a fabricated component, the product of the United States, for purposes of item 807.00, Tariff Schedules of the United States (19 U.S.C. 1202).

(T.D. 75-230, 40 FR 43022, Sept. 18, 1975)

§ 10.15 Fabricated components not subject to the exemption.

Fabricated components which are not products of the United States are excluded from the exemption. In addition, the exemption is not applicable to any component exported from the Customs territory of the United States:

(a) From continuous Customs custody with remission, abatement, or refund of duty;

(b) With benefit of drawback;

(c) To comply with any law of the United States or regulation of any Federal agency requiring exportation; or

(d) After manufacture or production in the United States under item 884.05, Tariff Schedules of the United States (19 U.S.C. 1202).

Example. Partially completed components of an electric motor are imported in several separate shipments and are entered under a temporary importation bond to be manufactured into finished motors under the provisions of item 884.05, Tariff Schedules of the United States (19 U.S.C. 1202). The components are completed and assembled into finished electric motors. The finished motors are exported and are assembled abroad into electric fans which are subsequently imported into the United States. Irrespective of the fact that the assembly of the motors might involve such a substantial change that the motor could be considered a product of the United States, no exemption may be given for the value of the electric motors, since they were exported after manufacture or production in the United States under the provision of item 884.05, Tariff Schedules of the United States (19 U.S.C. 1202).

(T.D. 75-230, 40 FR 43023, Sept. 18, 1975)

§ 10.16 Assembly abroad.

(a) *Assembly operations.* The assembly operations performed abroad may consist of any method used to join or fit together solid components, such as welding, soldering, riveting, force fitting, gluing, laminating, sewing, or the use of fasteners, and may be preceded, accompanied, or followed by operations incidental to the assembly as illustrated in paragraph (b) of this section. The mixing or combining of liquids, gases, chemicals, food ingredients, and amorphous solids with each other or with solid components is not regarded as an assembly.

Example 1. A television yoke is assembled abroad from American-made magnet wire. In the foreign assembly plant the wire is despoiled and wound into a coil, the wire cut from the spool, and the coil united with other components, including a terminal panel and housing which are also American-made. The completed article upon importation would be subject to the ad valorem rate

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of duty applicable to television parts upon the value of the yoke less the cost or value of the American-made wire, terminal panel and housing, assembled thereon. The winding and cutting of the wire are either assembly steps or steps incidental to assembly.

Example 2. An aluminum electrolytic capacitor is assembled abroad from American-made aluminum foil, paper, tape, and Mylar film. In the foreign assembly plant the aluminum foil is trimmed to the desired width, cut to the desired length, interleaved with paper, which may or may not be cut to length or despoiled from a continuous length, and rolled into a cylinder wherein the foil and paper are cut and a section of sealing tape fastened to the surface to prevent these components from unwinding. Wire or other electric connectors are bonded at appropriate intervals to the aluminum foil of the cylinder which is then inserted into a metal can, and the ends closed with a protective washer. As imported, the capacitor is subject to the ad valorem rate of duty applicable to capacitors upon the value less the cost or value of the American-made foil, paper, tape, and Mylar film. The operations performed on these components are all either assembly steps or steps incidental to assembly.

Example 3. The manufacture abroad of cloth on a loom using thread or yarn exported from the United States on spools, cops, or spools is not considered an assembly but a weaving operation, and the thread or yarn does not qualify for the exemption. However, American-made thread used to sew buttons or garment components is qualified for the exemption because it is used in an operation involving the assembly of solid components.

(b) *Operations incidental to the assembly process.* Operations incidental to the assembly process whether performed before, during, or after assembly, do not constitute further fabrication, and shall not preclude the application of the exemption. The following are examples of operations which are incidental to the assembly process:

- (1) Cleaning;
- (2) Removal of rust, grease, paint, or other preservative coating;
- (3) Application of preservative paint or coating, including preservative metallic coating, lubricants, or protective encapsulation;
- (4) Trimming, filling, or cutting off of small amounts of excess materials;
- (5) Adjustments in the shape or form of a component to the extent required by the assembly being performed abroad;

(6) Cutting to length of wire, thread, tape, foil, and similar products exported in continuous length; separation by cutting of finished components, such as prestamped integrated circuit lead frames exported in multiple unit strips; and

(7) Final calibration, testing, marking, sorting, pressing, and folding of assembled articles.

(c) *Operations not incidental to the assembly process.* Any significant process, operation, or treatment other than assembly whose primary purpose is the fabrication, completion, physical or chemical improvement of a component, or which is not related to the assembly process, whether or not it effects a substantial transformation of the article, shall not be regarded as incidental to the assembly and shall preclude the application of the exemption to such article. The following are examples of operations not considered incidental to the assembly as provided under item 807.00, Tariff Schedules of the United States (19 U.S.C. 1202):

- (1) Melting of exported ingots and pouring of the metal into molds to produce cast metal parts;
- (2) Cutting of garment parts according to pattern from exported material;
- (3) Painting primarily intended to enhance the appearance of an article or to impart distinctive features or characteristics;
- (4) Chemical treatment of components or assembled articles to impart new characteristics, such as shower-proofing, permapressing, sanforizing, dyeing or bleaching of textiles;
- (5) Machining, polishing, burnishing, peening, plating (other than plating incidental to the assembly), embossing, pressing, stamping, extruding, drawing, annealing, tempering, case hardening, and any other operation, treatment or process which imparts significant new characteristics or qualities to the article affected.

(d) *Joining of American-made and foreign-made components.* An assembly operation may involve the use of American-made components and foreign-made components. The various requirements for establishing entitlement to the exemption apply only to the American-made components of the assembly.

Example. Diodes are assembled abroad from American-made components. The process includes the encapsulation of the assembled components in a plastic shell. The plastic used for the encapsulation is in the form of a pellet, and is of foreign origin. After the prefabricated diode components are assembled, the assembled unit is placed in a transfer molding machine, where, by use of the pellet, molten epoxy is caused to flow around the perimeters of the assembled components, forming upon solidification a plastic body for the diode. Upon importation, exemption may be granted for the value of the American-made components, but not for the value of the plastic pellet. If the plastic pellet used for encapsulation was of United States origin, its value would still be a part of the dutiable value of the diode, because the plastic pellet is not a fabricated component of a type designed to be fitted together by assembly, but merely a premeasured quantity of material which was applied to the assembled unit by a process not constituting an assembly.

(e) *Subassembly.* An assembly operation may involve the joining or fitting of American-made components into a part or subassembly of an article, followed by the installation of the part or subassembly into the complete article.

Example. Rolls of foil and rolls of paper are exported and cut to specific length abroad and interleaved and rolled to form the electrodes and dielectric of a capacitor. Following this procedure, the rolls are assembled with cans and other parts to form a complete capacitor. The foil and paper are entitled to the exemption.

(f) *Packing.* The packing abroad of merchandise into containers does not in itself qualify either the containers or their contents for the exemption. However, assembled articles which otherwise qualify for the exemption and which are packaged abroad following their assembly will not be disqualified from the exemption by reason of their having been so packaged, whether for retail sale or for bulk shipment. The tariff status of the packing materials or containers will be determined in accordance with General Headnote 8, Tariff Schedules of the United States (19 U.S.C. 1202).

(T.D. 73-230, 40 FR 43023, Sept. 18, 1975)

§ 10.17 Valuation of exempted components.

The value of fabricated components to be subtracted from the full value of the assembled article is the cost of the components when last purchased, f.o.b. United States port of exportation or point of border crossing as set out in the invoice and entry papers, or, if no purchase was made, the value of the components at the time of their shipment for exportation, f.o.b. United States port of exportation or point of border crossing, as set out in the invoice and entry papers. However, if the appraising officer concludes that the cost or value of the fabricated components so ascertained does not represent a reasonable cost or value, then the value of the components shall be determined in accordance with section 402 or section 402a, Tariff Act of 1930, as amended (19 U.S.C. 1401a, 1402).

(T.D. 73-230, 40 FR 43024, Sept. 18, 1975)

§ 10.18 Valuation of assembled articles.

(a) *Statutory basis used in valuation.* As in the case of the appraisal of any other imported merchandise (see Subpart C of Part 152 of this chapter), the full value of assembled articles imported under item 807.00, Tariff Schedules of the United States (19 U.S.C. 1202), is determined in accordance with the appropriate statutory basis.

(b) *Use of constructed value or cost of production as basis for valuation.* A preponderance of the merchandise entitled to the item 807.00, Tariff Schedules of the United States (19 U.S.C. 1202), exemption, is appraised on the basis of constructed value or cost of production.

(1) *Constructed value.* Constructed value is the statutory basis of appraisal authorized by section 402(d), Tariff Act of 1930, as amended (19 U.S.C. 1401a(d)), and is applicable to imported articles which are not on a list compiled by the Department of the Treasury, known as the "final list" (T.D. 54521).

(2) *Cost of production.* Cost of production is the statutory basis of appraisal authorized by section 402a(f), Tariff Act of 1930, as amended

(19 U.S.C. 1402(f)), and is applicable to imported articles which are on the "final list" (T.D. 54521).

(T.D. 75-230, 40 FR 43024, Sept. 18, 1975)

§ 10.19 Elements involved in determining constructed value or cost of production.

Both constructed value and cost of production of assembled articles are determined from the following cost data:

(a) *Cost of materials.* The cost of materials to be reported in connection with a claim for an item 807.00, Tariff Schedules of the United States (19 U.S.C. 1202), exemption, where constructed value or cost of production is the basis of appraisement includes, but is not limited to:

(1) The cost or value of all American-made components and other American-made materials f.o.b. the United States port of exportation or point of border crossing. If these items were purchased, there should be included, in addition to the purchase price, all costs incurred up to the time of the items' arrival at the port of exportation, such as packing, freight, insurance, warehousing, sorting, and repacking. If the items were not purchased, the estimated market value f.o.b. port of exportation or point of border crossing shall be used, based on the normal selling price to independent purchasers or other available market information. If market value information is not available, the value of the items shall be the sum of all costs incurred in producing the items, including general expenses, an amount for profit, and all costs incurred from the time the items are completed to the time they arrive at the port of exportation or point of border crossing.

(2) Freight, insurance, lading and unloading, and other costs incurred in transporting the American-made components and materials from the port of exportation or point of border crossing to the assembler's plant;

(3) The cost or value of all other components and materials added in the country of assembly as well as the costs incurred in transporting these components and materials to the assembler's plant, including packing,

freight, insurance, and lading and unloading;

(4) The value of waste or spoilage, including scrap, such as trimmings, cuttings, and turnings from a lathe, and United States components delivered to the assembler and found to be unusable. The value of waste or spoilage shall be determined from the actual cost of the materials less the market value of recovered scrap or rejected components. Where the assembler returns rejected components to its supplier and receives credit for the rejected components so returned, the credit received by the assembler may be applied as an offset against the assembler's cost of materials; and

(5) Taxes on materials assessed by the country of assembly, but remitted or refunded upon exportation of the finished articles from the country of assembly, such as sales taxes and value added taxes. Such taxes are included under the cost of materials when cost of production is the basis of valuation, but are excluded when constructed value is the basis of valuation.

(b) *Cost of fabrication.* The cost of fabrication of an assembled article includes, but is not limited to:

(1) All actual labor costs involved in the assembly operations, including fringe benefits such as paid holidays, vacations, social security, school taxes, seventh-day pay, on-the-job training, housing allowance, and idle time. Deviation from normal production efficiency to adjust for actual production should be reflected, if necessary, to insure that the total actual labor costs incurred in the assembly are shown in the cost data sheets. For instance, if the efficiency of the production workers does not meet projected expectations, with a consequent increase in unit labor costs, the increased costs should be reflected in the cost data furnished Customs. The costs of engineering, supervisory functions, quality control, and similar personnel expenses shall be included;

(2) Cost of dies, molds, tooling, special machinery, and similar equipment costs which are allocable to the particular merchandise under consideration (as opposed to general costs for plant equipment or machinery, which are included under general expenses);

(3) Costs of research, development, design, engineering, and blueprints, except where they are directly allocable to American-made components. Where they are directly allocable to American-made components they are to be included in the value of those components, and are not to be included in the cost of fabrication.

(4) Costs of inspecting and testing by the assembler; and

(5) Costs of subcontract work, including the general expenses and profit involved in such work, when a foreign assembler has a portion of the assembly work accomplished by a subcontractor. These costs are considered to be part of the cost of fabrication to the foreign assembler.

(c) *General expenses.* General expenses, which are all of the assembler's expenses other than the cost of components, materials, fabrication, and packaging, include, but are not limited to:

(1) Building rent or depreciation;
(2) Costs for utilities, including heat, light, power, and water;
(3) Telephone, telegraph, and cable costs;

(4) Depreciation of machinery and equipment other than dies, molds, tooling, special machinery, and similar equipment allocable to the particular merchandise under consideration;

(5) Expenses for maintenance, repairs, and renewals;

(6) Fire and liability insurance costs;

(7) Taxes on buildings;

(8) Factory storage costs;

(9) Expenses for office and factory supplies;

(10) Administration salaries and expenses (executives', managers', and office workers' salaries), and salesmen's salaries, commissions, and expenses;

(11) Travel expenses;

(12) Advertising expenses;

(13) Licensing fees paid to a foreign government;

(14) Legal expenses;

(15) Nonrefundable expenses relating to the importation of articles into a foreign country, such as foreign brokerage fees;

(16) Auditing expenses of the foreign assembly operation;

(17) Start up costs (other than on-the-job training costs). These include legal fees for the consultant or entrepreneur, a fee for setting up the assembler corporation, costs for construction of buildings and installation of manufacturing machinery, engineering fees and material costs to acquire electricity or other power for the plant, fees for the issuance of any permits required, the cost of a bond given to show good faith, charges for telephone service, roads and rail spurs, charges for securing a labor force as well as for their pre-training, costs of trusts established to satisfy foreign ownership, the cost of a plant bond to insure exportation of all materials imported into a foreign country for assembly and to insure return of all imported machinery, and expenses of relocating plant management and production supervisors and their families. Start up costs may be amortized over the period of time for which such expenditures are ordinarily amortized by assemblers of the same general class or kind of merchandise in the country of exportation, in keeping with generally accepted accounting practices; and

(18) All other general administrative and overhead expenses including janitorial services, security services, and the services of a foreign warehouse officer.

(d) *Profit.* The assembler's actual profit or loss and the basis upon which it was calculated must be reported. Appraisement by Customs shall be based on the amount of profit which is found to be usual or ordinary in the trade, subject to limitations and requirements more particularly described in the applicable statutory provisions.

(e) *Packing expenses.* All costs of packing or otherwise preparing assembled articles for shipment to the United States must be reported. These costs include, but are not limited to, the cost of containers, the cost of packing materials such as excelsior, straw, and string, the cost of spraying and fumigating packing materials, and the cost of labor for packing. Packing materials of United States origin may be separately exempt from duty under the exemption provided in item 800.00, Tariff Schedules of the United States

§ 10.20

(19 U.S.C. 1202), for American goods returned without advancement in value or improvement in condition while abroad.

(T.D. 75-230, 40 FR 43024, Sept. 18, 1975)

§ 10.20 Cost data required if other statutory basis applicable.

Where it is determined that appraisal is to be made on a value base other than constructed value or cost of production, the importer shall be required to submit cost data of a different nature than required in this part.

Example. If United States value is determined to be the proper basis of valuation, the importer may be required to furnish information on his resale price at the wholesale level in the United States, his general expenses and profit on the resale, and other data which is needed to determine United States value, rather than the cost data required to establish constructed value or cost of production.

(T.D. 75-230, 40 FR 43025, Sept. 18, 1975; 40 FR 43163, Oct. 1, 1975)

§ 10.21 Updating cost data and other information.

When a claim for the exemption is predicated on estimated cost data furnished either in advance of or at the time of entry, this fact should be clearly stated in writing at the time of entry, and suspension of liquidation may be requested by the importer or his agent pending the furnishing of actual cost data. Actual cost data must be submitted as soon as accounting procedures permit. To insure that information used for Customs purposes is reasonably current, the importer shall ordinarily be required to furnish updated cost and assembly data at least every six months, regardless of whether he considers that significant changes have occurred. The 6-month period for the submission of updated cost or other data may be extended by

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the district director if such extension is appropriate for the type of merchandise involved, or because of the accounting period normally used in the trade, or because of other relevant circumstances.

(T.D. 75-230, 40 FR 43025, Sept. 18, 1975)

§ 10.22 Marking.

Assembled articles entitled to the exemption are considered products of the country of assembly for the purposes of the country of origin marking requirements of section 304, Tariff Act of 1930, as amended (19 U.S.C. 1304). If an imported assembled article is made entirely of American-made materials, the United States origin of the material may be disclosed by using a legend such as "Assembled in _____ from material of U.S. origin," or a similar phrase.

(T.D. 75-230, 40 FR 43025, Sept. 18, 1975)

§ 10.23 Standards, quotas, and visas.

All requirements and restrictions applicable to imported merchandise, such as labeling, radiation standards, flame-retarding properties, quotas, and visas, apply to assembled articles eligible for the exemption in the same manner as they would apply to all other imported merchandise.

(T.D. 75-230, 40 FR 43025, Sept. 18, 1975)

§ 10.24 Documentation.

(a) *Documents required.* The following documents shall be filed in connection with the entry of assembled articles claimed to be subject to the exemption under item 807.00, Tariff Schedules of the United States (19 U.S.C. 1202).

(1) *Declaration by the assembler.* A declaration by the person who performed the assembly operations abroad shall be filed in substantially the following form:

I, _____, declare that to the best of my knowledge and belief the _____ were assembled in whole or in part from fabricated components listed and described below, which are products of the United States:

United States Customs Service, Treasury

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Marks of identification, numbers	Description of component	Quantity	Unit value at time and place of export from United States ¹	Port and date of export from United States	Name and address of manufacturer
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¹In accordance with Headnote 3, part 18, schedule 9, Tariff Schedules of the United States (19 U.S.C. 1202). Description of the operations performed abroad on the exported components (in sufficient detail to enable Customs officers to determine whether the operations performed are within the purview of item 807.00, Tariff Schedules of the United States (19 U.S.C. 1202) (attach supplemental sheet if more space is required)).

Date	Signature
Address	Capacity

(2) *Endorsement by the importer.* An endorsement, in substantially the following form, shall be signed by the importer:

I declare that to the best of my knowledge and belief the (above), (attached) declaration, and any other information submitted herewith, or otherwise supplied or referred to, is correct in every respect and there has been compliance with all pertinent headnotes of the Tariff Schedules of the United States (19 U.S.C. 1202).

Date	Signature
Address	Capacity

(b) *Revision of format.* In specific cases, the district director may revise the format of either of the documents specified in paragraph (a) of this section and may make such changes as conditions warrant, provided the data and information required to be supplied in these documents are presented. For example, if the components were furnished by the importer, the information on components may be supplied as part of the importer's endorsement, rather than as part of the assembler's declaration.

(c) *Reference to previously filed documents.* In lieu of filing duplicate lists of components and descriptions of assembly operations with each entry, the documents specified in paragraph (a) of this section may refer to assembly descriptions and lists of components previously filed with and approved by the district director, or to records showing costs, names of manufacturers, and other necessary data on

components, provided the importer has arranged with the district director to maintain such records and keep them available for examination by authorized Customs officers.

(d) *Waiver of specific details for each entry.* There are cases where large quantities of United States components are purchased from various sources or exported at various ports and dates on a continuing basis, so that it is impractical to identify the exact source, port and date of export for each particular component included in an entry of merchandise claimed to be subject to the exemption under item 807.00, Tariff Schedules of the United States (19 U.S.C. 1202). In these cases, specific details such as the port and date of export and the name of the manufacturer of the United States components may be waived if the district director is satisfied that the importer and assembler have established reliable controls to insure that all components for which the exemption is claimed are in fact products of the United States. These controls shall include strict physical segregation of United States and foreign components, as well as records of United States components showing quantities, sources, costs, dates shipped abroad, and other necessary information. These records shall be maintained by the importer and assembler for 3 years from the date of the released entry in a manner so that they are readily available for audit, inspection, copying, reproduction or other official use by authorized Customs officers.

(e) *Waiver of documents.* When the district director is satisfied that unusual circumstances make the production of either or both of the documents specified in paragraph (a) of this section, or of any of the information

tion set forth therein, impractical and is further satisfied that the requirements of item 807.00, Tariff Schedules of the United States (19 U.S.C. 1202), and related headnotes have been met, he may waive the production of such document(s) or information.

(f) *Unavailability of documents at time of entry.* If either or both of the documents specified in paragraph (a) of this section are not available at the time of entry, a bond on Customs Form 301 containing the bond conditions set forth in § 113.82 of this chapter for the production of the document(s) may be given pursuant to §§ 113.41—113.46 and 141.86 of this chapter.

(g) *Responsibility of correctness.* Subject to the civil and criminal sanctions provided by law for false or fraudulent entries, the importer has the ultimate responsibility for supplying all information needed by the Customs Service to process an entry, and for the completeness and truthfulness of such information. If certain information cannot be supplied by the assembler, it must be provided by the importer.

(T.D. 75-230, 40 FR 43025, Sept. 18, 1975, as amended by T.D. 79-159, 44 FR 31967, June 4, 1979; T.D. 84-213, 49 FR 41165, Oct. 19, 1984)

FREE ENTRY—ARTICLES FOR THE USE OF FOREIGN MILITARY PERSONNEL

§ 10.30c [Reserved]

TEMPORARY IMPORTATIONS UNDER BOND

§ 10.31 Entry; bond.

(a)(1) Entry of articles brought into the United States temporarily and claimed to be exempt from duty under Schedule 8, Part 5C, Tariff Schedules of the United States (TSUS),¹ unless

¹"1. (a) The articles described in the provisions of this subpart, when not imported for sale or for sale on approval, may be admitted into the United States without the payment of duty, under bond for their exportation within 1 year from the date of importation, which period, in the discretion of the Secretary of the Treasury, may be extended, upon application, for one or more further periods which, when added to the initial 1 year, shall not exceed a total of 3

years, except that (1) articles imported under item 864.75 shall be admitted under bond for their importation within 6 months from the date of importation and such 6-month period shall not be extended, and (2) in the case of professional equipment and tools of trade admitted into the United States under item 864.50 which have been seized (other than by seizure made at the suit of private persons), the requirement of reexportation shall be suspended for the duration of the seizure. For purposes of this headnote, an aircraft engine or propeller, or any part or accessory of either, imported under item 864.50, which is removed physically from the United States as part of an aircraft departing from the United States in international traffic shall be treated as exported.

"(b) For articles admitted into the United States under item 864.50, entry shall be made by the nonresident importing the articles or by an organization represented by the nonresident which is established under the laws of a foreign country or has its principal place of business in a foreign country.

"2. Merchandise may be admitted into the United States under item 864.05 only on conditions that—

"(a) Such merchandise will not be processed into an article manufactured or produced in the United States if such article is—

(i) Alcohol, distilled spirits, wine, beer, or any dilution or mixture of any or all of the foregoing;

(ii) A perfume or other commodity containing ethyl alcohol (whether or not such alcohol is denatured), or

(iii) A product of wheat; and

"(b) If any processing of such merchandise results in an article (other than an article described in (a) of this headnote) manufactured or produced in the United States—

(i) A complete accounting will be made to the Customs Service for all articles, wastes, and irrecoverable losses resulting from such processing, and

(ii) All articles and valuable wastes resulting from such processing will be exported or destroyed under customs supervision within the bonded period.

"3. Upon satisfactory proof that any article admitted under item 864.30 has been destroyed because of its use for any purpose provided for therein, the obligation under the bond to export such article shall be treated as satisfied.

"4. Collectors of customs may defer the exaction of a bond for not to exceed 90 days after the date of importation for vehicles and craft entered under item 864.35 to take part in races or other specific contests for other than money purses, but unless any such vehicle or craft is exported or the bond

Continued

is given within the period of such deferment, such vehicle or craft shall be subject to forfeiture.

"5. Articles may be admitted under item 864.75 only on condition that the Secretary of the Treasury shall have found that the foreign country from which the articles were imported allows, or will allow, substantially reciprocal privileges in respect of similar imports to such country from the United States; and if the Secretary finds that a foreign country has discontinued, or will discontinue, the allowance of such privileges, the privileges of item 864.75 shall not apply thereafter in respect of imports from such foreign country.

"Item 864.05 Articles to be repaired, altered, or processed (including processes which result in articles manufactured or produced in the United States)"

"Item 864.10 Models of women's wearing apparel imported by manufacturers for use solely as models in their own establishments"

"Item 864.15 Articles imported by illustrators and photographers for use solely as models in their own establishments, in the illustrating of catalogues, pamphlets, or advertising matter"

"Item 864.20 Samples solely for use in taking orders for merchandise"

"Item 864.25 Articles solely for examination with a view to reproduction, or for such examination and reproduction (except photoengraved printing plates for examination and reproduction); and motion-picture advertising films"

"Item 864.30 Articles intended solely for testing, experimental, or review purposes, including plans, specifications, drawings, blue-prints, photographs, and similar articles for use in connection with experiments or for study"

"Item 864.35 Automobiles, motorcycles, bicycles, airplanes, airships, balloons, boats, racing shells, and similar vehicles and craft, and the usual equipment of the foregoing; all the foregoing which are brought temporarily into the United States by nonresidents for the purpose of taking part in races or other specific contests"

"Item 864.40 Locomotives and other railroad equipment brought temporarily into the United States for use in clearing obstructions, fighting fires, or making emergency repairs on railroads within the United States, or for use in transportation otherwise than in international traffic when the Secretary of the Treasury finds that the temporary use of foreign railroad equipment is necessary to meet an emergency"

"Item 864.45 Containers for compressed gases, filled or empty, and containers or other articles in use for covering or holding merchandise (including personal or house-

covered by an A.T.A. carnet as provided in Part 114 of this chapter, shall be made on Customs Form 3461 or 7533, supported by the documentation required by § 142.3 of this chapter. However, when § 10.36 or § 10.36a is applicable, or the aggregate value of the article is not over \$250, the form prescribed for the informal entry of importations by mail, in baggage, or by other means, may be used. When entry is made on Customs Form 3461 or 7533, an entry summary, Customs Form 7501, shall be filed within 10 days after time of entry, in accordance with Subpart B, Part 142 of this chapter.

(2) If Customs Form 7501 is filed at time of entry, it shall serve as both the entry and entry summary, and Customs Form 3461 or 7533 shall not

hold effects) during transportation and suitable for reuse for that purpose"

"Item 864.50 Professional equipment, tools of trade, repair components for equipment or tools admitted under this item, and camping equipment; all the foregoing imported by or for nonresidents sojourning temporarily in the United States and for the use of such nonresidents"

"Item 864.55 Articles of special design for temporary use exclusively in connection with the manufacture or production of articles for export"

"Item 864.60 Animals and poultry brought into the United States for the purpose of breeding, exhibition, or competition for prizes, and the usual equipment therefor"

"Item 864.65 Theatrical scenery, properties, and apparel brought into the United States by proprietors or managers of theatrical exhibitions arriving from abroad for temporary use by them in such exhibitions"

"Item 864.70 Paintings, pastels, drawings, sketches, engravings, etchings, lithographs, woodcuts, photographic pictures, and philosophical and scientific apparatus brought into the United States by professional artists, lecturers, or scientists arriving from abroad for use by them for exhibition and in illustration, promotion, and encouragement of art, science, or industry in the United States"

"Item 864.75 Automobiles, automobile chassis, automobile bodies, cutaway portions of any of the foregoing, and parts for any of the foregoing, finished, unfinished, or cutaway, when intended solely for show purposes (Schedule 8, Part 5C, Tariff Schedules of the United States.)

Legislative History

Item 806.30

TSUS item 806.30 incorporates, without significant change, the provisions of paragraph 1615(g) of the Tariff Act of 1930, as amended by the Customs Simplification Act of 1956. According to its sponsor, the Honorable Victor A. Knox, the purpose of the provision was to facilitate the processing of U.S. metal articles in contiguous areas of Canada during breakdowns or other emergencies at nearby plants in the United States. In explanation, Mr. Knox stated on the floor of the House of Representatives that the provision would—

. . . permit manufacturers to send [metal articles] into Canada principally for processing . . . [when] . . . they are unable to process that particular metal product within their own plants. There have been periods of time when the industry has had breakdowns in the manufacturing plant and did not have the facilities to continue on with the work . . . It has been necessary for industry—I speak of the Detroit area—to ship to Algoma . . . Canada . . . metal products in order to have them processed, because there was no other plant accessible to the manufacturer to have this particular work done. . . . I believe there is no possibility that these particular products would ever be shipped to such countries as Belgium, Spain, Portugal, and so forth, because of high transportation cost¹

Debate on the United States Senate floor regarding the provision focused on whether it would tend to encourage importations of metal articles from low-wage countries. However, the Senate Committee on Finance, in reporting favorably on the provision, expressed no desire that its use be limited to imports from contiguous countries. In its analysis of the provision the Senate report stated:

Section 202 will permit manufacturers of any article of metal (except precious metal) processed in the United States to export such articles for further processing and at the time of reimportation to pay duty on the cost of the processing done in the foreign country.²

The provision has not been amended since it was incorporated in the TSUS.

Item 807.00

The language of TSUS item 807.00 was formulated by the U.S. Tariff Commission, now the U.S. International Trade Commission, in its Tariff Classification Study. This study was an important factor in the adoption of the TSUS, effective as of August 31, 1963 (Public Law 87-456, implemented by Presidential Proclamation No. 3548). TSUS item 807.00 had no direct counterpart in the tariff schedules in effect prior to August 31, 1963. It was designed to codify and regulate an anomalous but well-established Customs practice under paragraph 1615(a) of the Tariff Act of 1930, a result of a 1954 decision of the U.S. Customs Court (C.D. 1628) reversing an administrative ruling (abstract published as T.D. 52191).

Paragraph 1615(a) provided for the duty-free entry of American products returned to the United States that had not been “advanced in value or improved in condition by any process of manufacture or other means.” The Customs Court, in its 1954 decision (C.D. 1628), held that the labor expended abroad in installing an American motor in a Canadian-built motorboat did not advance the value of the American motor or improve it in condition. The court was of the opinion that the U.S. parts contained in the imported articles would qualify for duty-free entry if—

¹ *Congressional Record*, July 13, 1953, pp. 8850-8859.

² Committee on Finance, United States Senate, *Customs Simplification Act of 1954 . . . Report To Accompany H.R. 10009*, Rept. No. 2326 (83d Cong., 2d sess.), 1954, p. 5.

... by physical examination at the time of importation, they could be identified in the imported article as the identical American product exported from the United States and as not having been changed in any manner other than by their assembly with other parts into a new or different article.

If any work other than assembly with other parts was performed directly upon the American product, the allowance of duty would not have been accorded under paragraph 1615(a).

The Customs Service, in numerous rulings applying the principle of C.D. 1628 after 1954, allowed duty-free entry to American-made components assembled into foreign articles if, "under the theory of constructive segregation," the components were "capable of being identified and removed without injury" to themselves or to the articles into which they had been assembled.

TSUS item 807.00 continued the substance of earlier practice, but without the assumption that the American components had not been advanced in value or improved in condition by assembly and without reference to whether they could be removed without injury or constructively segregated.

In the Tariff Classification Study, the Commission commented on C.D. 1628 and the Customs Service practices based thereon as follows:

... There is no logic to attributing the labor costs involved in assembly exclusively to foreign parts, nor is there logic in holding that assembly operations do not advance or improve the component parts assembled therein. Such component parts reach their ultimate value only when they have been assembled into an article where they can in fact perform the function for which they were designed and made.

... Whether or not an American component can be separated from a foreign article "without injury" to either is an unrealistic and arbitrary condition upon which to predicate partial exemption from duty.

The real issue is not whether you can remove "without injury" or "constructively segregate" the American part in order to "classify" it under paragraph 1615(a). The only classification of the imported article which must be made for tariff purposes is the classification of the imported article as an entirety. The substance of the issue is what proof shall be required to satisfy customs officers—

- (1) that an American part has been assembled into the imported article, and
- (2) that such part was assembled therein without having been changed in condition.

If (1) and (2) are satisfactorily proved, the question then arises as to how much allowance or deduction is to be made from the full value of the imported article on account of its having such "unimproved" American parts.¹

To assist in the identification of the U.S. components, only the U.S. portion of the product (the exported components) were made eligible to be returned free of duty. The original language of the article description in TSUS item 807.00 was as follows:

¹ *Tariff Classification Study, Explanatory and Background Materials; Schedule 8.—Special Classification Provisions, Appendix to the Tariff Schedules*, Nov. 15, 1960, pp. 13 and 14.

Articles assembled abroad in whole or in part of products of the United States which were exported for such purposes and which have not been advanced in value or improved in condition by any means other than by the act of assembly.

The above language appeared to be ambiguous in certain respects and to preclude minor operations incidental to assembly abroad, such as painting. Therefore, in 1965, TSUS item 807.00 was amended by Public Law 89-241, as follows:

Articles assembled abroad in whole or in part of fabricated components, the product of the United States, which (a) were exported, in condition ready for assembly without further fabrication, for the purpose of such assembly and return to the United States, (b) have not lost their physical identity in such articles by change in form, shape, or otherwise, and (c) have not been advanced in value or improved in condition abroad except by being assembled and except by operations incidental to the assembly process such as cleaning, lubricating, and painting.

Subsequently, in November 1966, the clause "for the purpose of such assembly and return to the United States" was deleted from the language of TSUS item 807.00, pursuant to Public Law 89-806. In a summary report of pending House-passed bills prepared for the use of the Senate Committee on Finance,¹ the bill (H.R. 11216, which became Public Law 89-806) is discussed as follows:

In the Tariff Schedules of the United States, item 807.00 continued this court-approved practice. However, the new provision eliminated the anomalies involved in the old practice, first by recognizing that U.S. components do increase in value by assembly operations and second by making it unnecessary to show that the U.S. component could be removed without injury to the assembled article. At the same time it was provided that for the duty-free treatment to apply on its return the U.S. component must have been sent abroad "for the purpose of assembly."

In the Tariff Schedules Technical Amendments Act of 1965 item 807.00 was clarified to make it clear that cleaning, lubricating, and painting could be performed in connection with the assembly function without subjecting the U.S. components to duty on their return to this country. In making this clarification, however, an additional restrictive clause was added to the duty-free provision. It requires that at the time of exportation of the U.S. component there be an intention that the assembled article is to be shipped to the United States. This additional restriction has raised complaints by interested importers and foreign shippers, and has also been said to introduce problems of customs administration.

H.R. 11216 would eliminate both the requirement that the American component be exported "for the purpose of such assembly" and the requirement that there be an intention at the time of exportation that it be returned to the United States. It would still be necessary, however, for the importer to establish by satisfactory proof that the components of an imported article for which duty-free treatment is claimed are, in fact, components produced in the United States. Moreover, it must be shown that they have not lost their physical identity in the assembled article and have not been advanced in value or improved in condition abroad except by the assembly operation, or operations, incidental to assembly.

There has been no further legislation amending TSUS item 807.00.

¹ Committee on Finance, United States Senate, *Summary of Minor House-Passed Bills Pending Before the Committee on Finance*, 1966, p. 14.

Customs practices

Item 806.30

According to the headnotes applicable to this tariff item, the value of the foreign processing on which the duty is levied is its cost to the importer or, if no charge is made, the value as set out in the invoice and entry papers. Generally the value used for customs purposes is the transaction value, as stated in the entry papers. If the appropriate customs officer concludes that the amount so set out does not represent a reasonable cost or value, then such value is determined in accordance with the valuation provisions of the Tariff Act of 1930, as amended by the Trade Agreements Act of 1979 (Public Law 96-39, July 26, 1979).

An article of metal (except precious metal) imported under TSUS item 806.30 must have been exported for processing abroad, and the article as processed, or the new article which results from the processing, must be further processed in the United States after its return from abroad. The Customs Service has held that melting, machining, grinding, drilling, tapping, threading, cutting, punching, rolling, forming, plating, and galvanizing are among the operations that qualify as "processing."

Examples of articles eligible for entry under this tariff item are aluminum sheets processed from ingots of U.S. origin and returned to the United States to be cut to size and shape; lead ingots produced from lead scrap of U.S. origin and returned for further processing; metal screws made abroad from domestic wire and returned for plating; stainless steel tubing coated abroad with chromium and returned for rounding and buffing; tungsten carbide powder sent abroad for sintering and returned for further processing; electronic circuits printed on silicon wafers, exported for splitting and returned for further processing.

Before the exportation of an article for processing abroad under TSUS item 806.30, the owner or exporter must file (as provided in section 10.9 of the Customs Regulations (19 CFR 10.9)),¹ a certificate of registration describing the article(s) exported. The owner or exporter must state the name of the U.S. manufacturer, or, if of foreign origin, the name and address of the U.S. processor and the process of manufacture. The owner or exporter must further provide the name and address of the person who will further process the articles upon their return to the United States, or, if the person is not known, the reasons for believing the articles will be returned for further processing and the reason the person is not known. The article must be examined by a customs officer and loaded for export under customs supervision. Upon its return from abroad the owner, importer, consignee, or agent must declare that the article has been processed from the merchandise covered by the certificate of registration and must declare the nature and cost of the processing abroad and the processing to be performed in the United States. The declaration as to the origin of the article, and as to the nature and cost of the processing abroad, must be supported, moreover, by a declaration of the foreign processor. The foregoing requirements may be waived by the district director at the port of entry, but only when he is satisfied that the article is entitled to enter under TSUS item 806.30 and that all the requirements of the provisions have been met. If the registration form is not produced at entry, such a waiver can only be given if a single entry at one port is made.

Pursuant to a 1958 decision of the Customs Service (T.D. 54572(22)), the provisions of TSUS item 806.30 apply only when the U.S. metal article sent abroad for processing is to be returned for further processing by or for account of the person or firm which exported the article for processing abroad.

¹ A copy of the Customs Regulations pertaining to TSUS items 806.30 and 807.00, as set out in vol. 19 of the Code of Federal Regulations (CFR), is provided in app. A.

Item 807.00

When merchandise is assembled abroad, it is often difficult to establish its transaction value (either for the imported merchandise or for identical or similar merchandise) or deductive value, as those terms are defined in section 402 of the Tariff Act of 1930, as amended. A large portion of the entries under TSUS item 807.00 comprises trade by U.S. firms and their foreign affiliates that operate and transfer goods on a manufacturing-cost basis rather than on the basis of values established in the marketplace. Accordingly, the customs value for purposes of TSUS item 807.00 is often based on computed value, as defined in section 402. However, the Customs Service is attempting to ascertain the transaction value whenever possible. (19 CFR 10.18 et seq.)

Computed value represents the sum of all costs, actual or estimated, for materials used, labor, overhead, depreciation, other general expenses, a normal profit, and packing costs. In most cases, only the cost of materials, labor, and packing can readily be ascertained. To this is added a markup for general expenses and profit equal to that usually reflected in sales by the foreign producers in their home markets of merchandise of the same class or kind as that exported to the United States. From this gross computed value is deducted the value of those U.S. components for which allowance is claimed under TSUS item 807.00. Additionally, the value of packing materials of U.S. origin may be exempt from duty under TSUS item 800.00. These deductions are generally based upon the values shown on the assembler's declaration and endorsed by the importer pursuant to section 10.24 of the Customs Regulations (19 CFR 10.24). When the values shown thereon appear unreasonable, other proof of value may be required.

After the implementation of the TSUS in 1963, no specific regulations were immediately issued with respect to the administration of TSUS item 807.00. Rather, customs officers were informally advised to use section 10.1 of the Customs Regulations (19 CFR 10.1), relating to American goods returned without advancement in value. It was not until January 1968 that subsection (g), since amended, was added to section 10.1, specifically providing for the documentary proof to be filed in connection with the entry of articles containing U.S.-fabricated components claimed to be exempt from duty under TSUS item 807.00.

In October 1975, the Customs Service amended its applicable regulations by adding sections 10.11 through 10.24 (19 CFR 10.11-10.24), which set forth definitions and interpretative regulations pertaining to TSUS item 807.00. The sections include examples describing specific situations in which the exemption from duty provided by TSUS item 807.00 may or may not be available. Section 10.24 sets forth the following documentary requirements applicable to assembled articles entered under TSUS item 807.00:

- (1) a declaration by the person who performed the assembling operations abroad listing and describing the U.S. components and describing the operations performed abroad on such components, and
- (2) an endorsement of the importer declaring the declaration in (1) to be correct to the best of his knowledge and belief.

Section 10.24 also permits the district director to revise the format of either of the documents specified above, waive specific details for each entry, and waive the foregoing documents if he "is satisfied that unusual circumstances make the production of either or both of the documents . . . or of any of the information set forth therein, impractical and is further satisfied that the requirements of item 807.00 . . . and related headnotes have been met"

As noted earlier, the duty treatment provided under TSUS item 807.00 applies to fabricated components that are the product of the United States. In order to qualify for such treatment, the components must have been in condition ready for assembly without

further fabrication after their exportation from the United States. However, components will not be prohibited entry under TSUS item 807.00 foreign operations because of incidental to the assembly before, during, or after their assembly with other components, as long as the components do not lose their physical identity by change in form, shape, or otherwise. Thus, materials undefined in final dimension and shape which are cut abroad into specific shapes or patterns are not considered fabricated components and thus are not eligible for entry under this tariff item.

Under the relevant regulation (19 CFR 10.16), the assembly operations performed abroad may consist of any method used to join or fit together solid components, such as welding, soldering, riveting, force fitting, gluing, laminating, sewing, or the use of fasteners. They may be preceded, accompanied, or followed by operations incidental to assembly, as illustrated below. The mixing or combining of liquids, gases, chemicals, food ingredients, and amorphous solids with each other or with solid components is not regarded as assembly.

Operations incidental to the assembly process, whether performed before, during, or after assembly, do not constitute further fabrication and do not preclude entry under TSUS item 807.00. The following are examples of operations which are incidental to the assembly process:

- (1) Cleaning;
- (2) Removal of rust, grease, paint, or other preservative coating;
- (3) Application of preservative paint or coating, including preservative metallic coating, lubricants, or protective encapsulation;
- (4) Trimming, filing, or cutting off small amounts of excess materials;
- (5) Adjustments in the shape or form of a component to the extent required by the assembly being performed abroad;
- (6) Cutting to length of wire, thread, tape, foil, and similar products exported in continuous lengths; separation by cutting of finished components, such as prestamped integrated circuit lead frames exported in multiple unit strips; and
- (7) Final calibration, testing, marking, sorting, pressing, and folding of assembled articles.

Any significant process, operation, or treatment other than assembly whose primary purpose is the fabrication, completion, or physical or chemical improvement of a component, or which is not related to the assembly process, whether or not it effects a substantial transformation of the article, are not regarded as incidental to the assembly and preclude entry under the tariff item. The following are examples of operations not considered incidental to assembly, as provided under TSUS item 807.00:

- (1) Melting of exported ingots and pouring of the metal into molds to produce cast-metal parts;
- (2) Cutting of garment parts according to pattern from exported material;
- (3) Painting primarily intended to enhance the appearance of an article or to impart distinctive features or characteristics;

- (4) Chemical treatment of components or assembled articles to impart new characteristics, such as shower-proofing, permapressing, sanforizing, dyeing, or bleaching of textiles;
- (5) Machining, polishing, burnishing, peening, plating (other than plating incidental to the assembly), embossing, pressing, stamping, extruding, drawing, annealing, tempering, case hardening, and any other operation, treatment, or process which imparts significant new characteristics or qualities to the article affected.

The current Customs interpretation of TSUS items 806.30 and 807.00 is in large part a result of the numerous significant interpretative decisions of the Court of International Trade and the Court of Appeals for the Federal Circuit over the last several years. The impact of these decisions is illustrated by the following statement from the Tariff Classification Study (schedule 8 volume, p. 103):

Item 807.00—Imports assembled with U.S. components. Item 807.00 contemplates that, when a finished component of U.S. origin is sent abroad and there assembled—without otherwise changing its condition—with one or more other components, the cost or value of such U.S. components shall not be included in the dutiable value of the assembled article in which it has been incorporated. *U.S. wire and tape, on spools, sent abroad where they are cut to length and then assembled with other components into a finished article are not finished components the cost of which may be deducted from the dutiable value of the imported article. [Emphasis added.]*

The subsequent series of cases involving General Instrument Corporation demonstrate the nature of the evolution of item 807.00. The appellate court in *General Instrument Corporation v. United States*, 59 CCPA 171, 462 F.2d 1156, C.A.D. 1062 (1972), held that U.S.-fabricated wire was used directly in the assembly process "without further fabrication" within the meaning of that phrase in TSUS item 807.00 although it was cut into pieces abroad, when, for practical reasons, the assembly process required handling the wire directly from the spool and cutting it during that process. The court then extended its reasoning in *General Instrument Corporation v. United States*, 60 CCPA 178, 480 F.2d 1402, C.A.D. 1106 (1973), in holding that there is no reason to consider articles cut to length prior to assembly subject to any different treatment than articles cut after assembly such as the wire bonded to a semiconductor chip and then severed in the earlier *General Instrument Corporation* case. In a third case, *General Instrument Corporation v. United States*, 61 CCPA 86, 499 F.2d 1318, C.A.D. 1128 (1974), the court went even further in holding that the despooling, cementing, winding, and taping of wire are not "further fabrication" steps, but rather assembly steps within the meaning of TSUS item 807.00. The court stated, referring to the second *General Instrument* case, that "we can perceive no substantial differences between the instant assembly steps and those of *General Instrument*, which were held not to constitute 'further fabrication.'"

These and subsequent rulings by the courts, which may have gone beyond the legislative intent as to TSUS item 807.00, together with an intensified scrutiny of entries under TSUS items 807.00 and 806.30 by the Customs Service, have added new dimensions to the interpretation of those tariff items.

Problems of Customs Administration

It is evident from the foregoing discussion that TSUS items 806.30 and 807.00 are not susceptible of easy application; this complicates their administration and thereby increases the potential incidence of misuse. For example, a prerequisite to the allowance of the partial duty exemptions is proof of the presence in the imported article of the exported U.S. metal article or fabricated component—not a substitute foreign equivalent. It is necessary to know precisely what U.S. articles were exported from the United

States, that they were effectively segregated from and not commingled with foreign articles prior to their being processed or assembled, and exactly how they were used abroad in the production or manufacture of the imported article. Moreover, as indicated, the data required for valuation purposes are generally more complex and detailed than is required under ordinary circumstances.¹

Ascertainment of the relevant facts is almost wholly dependent upon paper proof rather than physical examination of imports by customs officers. By reason of the large volume of trade under these provisions and the intricacy and mass of detailed information involved in each transaction, customs officers are, in practice, obliged to accept entries as submitted with only a limited opportunity for verification of their factual content.

¹ A guide to the data requirements for importation under TSUS item 807.00 was published by the U.S. Customs Service under the title *Import Requirements on Articles Assembled Abroad From U.S. Components / Item 807.00 TSUS: 807 Guide*, Customs Information Series C:79-1, 1979. For several recent cases, see: *Zwicker Knitting Mills v. United States*, 67 CCPA 37, C.A.D. 1240, 613.2d 295 (1980); *Southern Air Transport, Inc. v. United States*, 84 Cust. Cl., C.D. 4836 (1980); *Mattel, Inc. v. United States*, 67 CCPA 74, C.A.D. 1248, 624 F.2d 1076 (1980).

APPENDIX B
STATISTICAL TABLES AND CONCORDANCES

Table B-1

U.S. imports for consumption under TSUS Items 806.30 and 807.00, 1970-87

(In millions of dollars)

Year	Total value			Dutiable value			Value of U.S. products		
	806.30	807.00	Total	806.30	807.00	Total	806.30	807.00	Total
1970	204.0	2,004.2	2,208.2	101.3	1,570.5	1,671.8	102.6	433.7	536.3
1971	199.4	2,566.4	2,765.8	75.1	2,030.8	2,105.9	124.3	535.6	659.9
1972	318.3	3,090.5	3,408.8	130.3	2,410.1	2,540.4	187.9	680.4	868.3
1973	462.6	3,784.5	4,247.1	212.9	3,025.4	3,238.3	249.7	759.1	1,008.8
1974	543.7	4,828.1	5,371.8	240.4	3,818.6	4,059.0	303.3	1,009.5	1,312.8
1975 ¹	454.6	4,707.8	5,162.4	192.6	3,703.9	3,896.5	262.0	1,003.9	1,265.9
1976 ¹	474.0	5,247.5	5,721.5	199.2	3,976.2	4,175.4	274.8	1,271.3	1,546.1
1977	465.1	6,723.4	7,188.5	190.7	5,021.4	5,212.1	274.4	1,702.0	1,976.4
1978	398.1	9,337.1	9,735.2	154.8	6,988.9	7,143.7	243.2	2,348.3	2,591.5
1979 ¹	407.7	11,559.3	11,967.0	172.8	8,468.3	8,641.1	234.9	3,091.0	3,325.9
1980 ¹	254.1	13,762.2	14,016.5	83.5	10,178.2	10,261.8	170.5	3,584.0	3,754.7
1981	256.5	15,924.0	16,180.8	80.3	11,653.9	11,734.2	176.2	4,270.3	4,446.6
1982	358.0	17,950.8	18,308.8	116.0	13,473.2	13,589.2	242.0	4,477.5	4,719.5
1983	341.5	21,234.4	21,575.9	112.5	16,076.8	16,189.3	229.0	5,157.6	5,386.6
1984	450.2	28,122.4	28,572.6	140.9	21,221.2	21,362.1	309.3	6,901.2	7,210.5
1985	419.7	30,115.4	30,535.1	144.6	24,565.7	24,710.3	275.0	5,549.7	5,824.7
1986	465.5	36,031.4	36,496.9	157.1	30,059.3	30,216.4	308.4	5,972.1	6,280.5
1987	953.9	67,595.1	68,549.0	538.4	55,067.9	55,606.2	415.6	12,527.2	12,942.8

¹ Imports under Item 806.30 were slightly understated for 1975, 1976, 1979, and 1980 in earlier issues of this tabulation.

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled from official statistics of the U.S. Department of Commerce, except as noted. Minor adjustments to official statistics were made to correct cases of misreporting. Statistics previously reported for certain commodity groupings have been revised to reflect changes in assignment made by the Commission's international trade analysts. Since 1980, the staff of the Commission has made substantial revisions to the Census reported figures. These revisions, for the most part, were attributable to the exclusion of duty-free civil aircraft items. The civil aircraft items also reflect reimportation of American products, either further processed or assembled overseas.

Table B-2

U.S. Imports for consumption under TSUS item 806.30, by principal sources, 1984-87

(In millions of dollars)

Source	Total value	Duty-free value	Dutiable value
1984			
Japan	209.4	142.0	67.4
Canada	133.4	101.9	31.5
West Germany	22.9	10.8	12.2
Belgium and Luxembourg	6.5	2.8	3.6
Italy	4.0	2.7	1.3
France	2.9	1.5	1.4
Netherlands .....	.7	.7	(¹)
United Kingdom .....	.6	.3	.3
Finland .....	.1	.1	(¹)
Switzerland	(¹)	(¹)	(¹)
Denmark	(¹)	(¹)	(¹)
Austria	(¹)	(¹)	(¹)
Ireland	(¹)	(¹)	(¹)
Sweden	(¹)	(¹)	(¹)
Australia	(¹)	(¹)	(¹)
Total, developed countries	380.7	262.9	117.8
Mexico	32.4	24.6	7.8
Malaysia	26.7	15.6	11.1
Singapore	4.6	2.4	2.1
Taiwan	2.1	1.8	.4
Costa Rica	1.9	.8	1.2
Philippines	1.0	.7	.4
South Korea .....	.2	.1	(¹)
Spain .....	.1	.1	(¹)
Haiti .....	.1	.1	(¹)
Pakistan .....	.1	(¹)	(¹)
Brazil .....	.1	(¹)	(¹)
Thailand .....	.1	(¹)	(¹)
Israel .....	.1	(¹)	(¹)
Argentina	(¹)	(¹)	(¹)
Portugal	(¹)	(¹)	(¹)
All other	(¹)	(¹)	(¹)
Total, less developed countries	69.5	46.4	23.1
Grand total	450.2	309.3	140.9

¹ Less than \$50,000.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-2—Continued

U.S. Imports for consumption under TSUS Item 806.30, by principal sources, 1984-87

(In millions of dollars)

Source	Total value	Duty-free value	Dutiable value
1985			
Japan	236.7	156.4	80.3
Canada	98.3	65.2	33.1
Belgium and Luxembourg	12.5	7.1	5.4
West Germany	12.0	7.0	5.0
France	6.8	3.8	3.0
United Kingdom .....	.9	.4	.5
Netherlands .....	.2	.2	(¹)
Sweden .....	.1	(¹)	(¹)
Switzerland .....	.1	(¹)	.1
Norway .....	.1	(¹)	(¹)
Ireland	(¹)	(¹)	(¹)
Austria	(¹)	(¹)	(¹)
Total, developed countries	367.7	240.2	127.5
Mexico	30.3	22.2	8.2
Malaysia	6.3	3.8	2.6
Singapore	5.8	3.5	2.4
Taiwan	5.2	4.2	.9
Costa Rica	1.3	.6	.7
Israel	1.1	.2	.9
Hong Kong	1.0	(¹)	1.0
Philippines .....	.3	.2	.1
St Christopher-Nevis .....	.2	(¹)	.1
Brazil .....	.2	.1	.1
South Korea .....	.1	.1	.1
Senegal .....	.1	.1	(¹)
French West Indies	(¹)	(¹)	(¹)
Montserrat	(¹)	(¹)	(¹)
Poland	(¹)	(¹)	(¹)
All other	(¹)	(¹)	(¹)
Total, less developed countries	52.0	34.9	17.1
Grand total	419.7	275.1	144.6

¹ Less than \$50,000.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-2—Continued

U.S. Imports for consumption under TSUS Item 806.30, by principal sources, 1984-87

(In millions of dollars)

Source	Total value	Duty-free value	Dutiable value
1986			
Japan	230.6	145.6	85.0
Canada	82.5	60.7	21.8
West Germany	22.8	12.5	10.3
Belgium and Luxembourg	17.0	8.6	8.4
Italy	7.9	5.1	2.8
France	6.0	2.3	3.6
Switzerland	2.1	1.1	1.0
United Kingdom .....	.8	.5	.3
Sweden .....	.5	(¹)	.5
Netherlands .....	.1	(¹)	(¹)
Australia	(¹)	(¹)	(¹)
Denmark	(¹)	(¹)	(¹)
Ireland	(¹)	(¹)	(¹)
Total, developed countries	370.3	236.5	133.8
Mexico	89.9	69.0	20.8
Singapore	4.2	2.4	1.7
Philippines .....	.4	.1	.3
Senegal .....	.3	.2	.1
Brazil .....	.2	.1	.1
Taiwan .....	.1	.1	(¹)
St Christopher-Nevis .....	.1	(¹)	(¹)
Hong Kong	(¹)	(¹)	(¹)
Poland	(¹)	(¹)	(¹)
Mozambique	(¹)	(¹)	(¹)
Costa Rica	(¹)	(¹)	(¹)
Panama	(¹)	(¹)	(¹)
Haiti	(¹)	(¹)	(¹)
Malaysia	(¹)	(¹)	(¹)
South Korea	(¹)	(¹)	(¹)
Total, less developed countries	95.3	72.0	23.3
Grand total	465.5	308.4	157.1

¹ Less than \$50,000.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-2—Continued

U.S. Imports for consumption under TSUS Item 808.30, by principal sources, 1984-87

(In millions of dollars)

Source	Total value	Duty-free value	Dutiable value
1987			
Canada	550.6	200.4	350.2
Japan	176.0	107.4	68.6
Italy	70.8	5.6	65.2
West Germany	14.4	7.9	6.4
United Kingdom	4.6	2.0	2.5
France	1.2	.7	.5
Switzerland	1.2	.8	.3
Belgium and Luxembourg	1.1	.6	.5
Australia .....	.9	.4	.5
Denmark .....	.3	.2	.1
Netherlands .....	.2	.1	.1
Austria .....	.2	.1	.1
Sweden .....	.1	.1	(¹)
Ireland .....	.1	(¹)	(¹)
Total, developed countries	821.5	326.4	495.1
Mexico	112.3	76.2	36.1
Brazil	11.1	7.8	3.3
Singapore	4.6	2.6	2.0
Portugal	2.4	1.7	.7
Philippines .....	.5	.1	.5
South Korea .....	.3	.2	.1
Senegal .....	.3	.2	.1
Malaysia .....	.3	.2	.1
Taiwan .....	.2	.1	.2
Spain .....	.1	(¹)	.1
Venezuela .....	.1	.1	(¹)
Mozambique	(¹)	(¹)	(¹)
China	(¹)	(¹)	(¹)
Hong Kong	(¹)	(¹)	(¹)
St Lucia	(¹)	(¹)	(¹)
All other	(¹)	(¹)	(¹)
Total, less developed countries	132.4	89.1	43.3
Grand total	953.9	415.6	538.4

¹ Less than \$50,000.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-3

Share of U.S. Imports for consumption under TSUS item 806.30, by principal sources, 1984-87

(In percent of grand total)

Source	Total value	Duty-free value	Dutiable value
1984			
Japan	46.5	45.9	47.8
Canada	29.6	32.9	22.3
West Germany	5.1	3.5	8.6
Belgium and Luxembourg	1.4	.9	2.6
Italy .....	.9	.9	.9
France .....	.6	.5	1.0
Netherlands .....	.2	.2	(¹)
United Kingdom .....	.1	.1	.2
Finland	(¹)	(¹)	(¹)
Switzerland	(¹)	(¹)	(¹)
Denmark	(¹)	(¹)	(¹)
Austria	(¹)	(¹)	(¹)
Ireland	(¹)	(¹)	(¹)
Sweden	(¹)	(¹)	(¹)
Australia	(¹)	(¹)	(¹)
All other	(¹)	(¹)	(¹)
Total, developed countries	84.4	84.9	83.4
Mexico	7.2	8.0	5.6
Malaysia	5.9	5.0	7.9
Singapore	1.0	.8	1.5
Taiwan .....	.5	.6	.3
Costa Rica .....	.4	.3	.8
Philippines .....	.2	.2	.3
South Korea	(¹)	(¹)	(¹)
Spain	(¹)	(¹)	(¹)
Haiti	(¹)	(¹)	(¹)
Pakistan	(¹)	(¹)	(¹)
Brazil	(¹)	(¹)	(¹)
Thailand	(¹)	(¹)	(¹)
Israel	(¹)	(¹)	(¹)
Argentina	(¹)	(¹)	(¹)
Portugal	(¹)	(¹)	(¹)
All other	(¹)	(¹)	(¹)
Total, less developed countries	15.2	14.9	16.4
Grand total	100.0	100.0	100.0

¹ Less than .05 percent.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-3—Continued

Share of U.S. imports for consumption under TSUS item 806.30, by principal sources, 1984-87

(In percent of grand total)

Source	Total value	Duty-free value	Dutiable value
1985			
Japan	56.4	56.9	55.5
Canada	23.4	23.7	22.9
Belgium and Luxembourg	3.0	2.6	3.7
West Germany	2.9	2.5	3.4
France	1.6	1.4	2.1
United Kingdom .....	.2	.2	.4
Netherlands	(¹)	.1	(¹)
Sweden	(¹)	(¹)	(¹)
Switzerland	(¹)	(¹)	(¹)
Norway	(¹)	(¹)	(¹)
Ireland	(¹)	(¹)	(¹)
Austria	(¹)	(¹)	(¹)
Total, developed countries	87.5	87.4	88.0
Mexico	7.2	8.1	5.6
Malaysia	1.5	1.4	1.8
Singapore	1.4	1.3	1.6
Taiwan	1.2	1.5	.6
Costa Rica .....	.3	.2	.5
Israel .....	.3	.1	.6
Hong Kong .....	.2	(¹)	.7
Philippines .....	.1	.1	(¹)
St Christopher-Nevis	(¹)	(¹)	.1
Brazil	(¹)	(¹)	.1
South Korea	(¹)	(¹)	.1
Senegal	(¹)	(¹)	(¹)
French West Indies	(¹)	(¹)	(¹)
Montserrat	(¹)	(¹)	(¹)
Poland	(¹)	(¹)	(¹)
All other	(¹)	(¹)	(¹)
Total, less developed countries	12.2	12.7	11.7
Grand total	100.0	100.0	100.0

¹ Less than .05 percent.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-3—Continued

Share of U.S. Imports for consumption under TSUS Item 806.30, by principal sources, 1984-87

(In percent of grand total)

Source	Total value	Duty-free value	Dutiable value
1986			
Japan	49.5	47.2	54.1
Canada	17.7	19.7	13.9
West Germany	4.9	4.1	6.5
Belgium and Luxembourg	3.6	2.8	5.4
Italy	1.7	1.7	1.8
France	1.3	.8	2.3
Switzerland .....	.5	.4	.6
United Kingdom .....	.2	.2	.2
Sweden .....	.1	(¹)	.3
Netherlands	(¹)	(¹)	(¹)
Australia	(¹)	(¹)	(¹)
Denmark	(¹)	(¹)	(¹)
Ireland	(¹)	(¹)	(¹)
Total, developed countries	79.5	76.9	85.1
Mexico	19.3	22.4	13.3
Singapore .....	.9	.8	1.1
Philippines .....	.1	(¹)	.2
Senegal .....	.1	.1	.1
Brazil	(¹)	(¹)	.1
Taiwan	(¹)	(¹)	(¹)
St Christopher-Nevis	(¹)	(¹)	(¹)
Hong Kong	(¹)	(¹)	(¹)
Poland	(¹)	(¹)	(¹)
Mozambique	(¹)	(¹)	(¹)
Costa Rica	(¹)	(¹)	(¹)
Panama	(¹)	(¹)	(¹)
Haiti	(¹)	(¹)	(¹)
Malaysia	(¹)	(¹)	(¹)
South Korea	(¹)	(¹)	(¹)
All other	(¹)	(¹)	(¹)
Total, less developed countries	20.4	23.3	14.8
Grand total	100.0	100.0	100.0

¹ Less than .05 percent.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-3—Continued

Share of U.S. Imports for consumption under TSUS Item 806.30, by principal sources, 1984-87

(In percent of grand total)			
Source	Total value	Duty-free value	Dutiable value
1987			
Canada	57.7	48.2	65.0
Japan	18.5	25.8	12.7
Italy	7.4	1.3	12.1
West Germany	1.5	1.9	1.2
United Kingdom .....	.5	.5	.5
France .....	.1	.2	.1
Switzerland .....	.1	.2	.1
Belgium and Luxembourg .....	.1	.2	.1
Australia .....	.1	.1	.1
Denmark	(¹)	.1	(¹)
Netherlands	(¹)	(¹)	(¹)
Austria	(¹)	(¹)	(¹)
Sweden	(¹)	(¹)	(¹)
Ireland	(¹)	(¹)	(¹)
Total, developed countries	86.0	78.5	91.9
Mexico	11.8	18.3	6.7
Brazil	1.2	1.9	.6
Singapore .....	.5	.6	.4
Portugal .....	.3	.4	.1
Philippines .....	.1	(¹)	.1
South Korea	(¹)	(¹)	(¹)
Senegal	(¹)	(¹)	(¹)
Malaysia	(¹)	.1	(¹)
Taiwan	(¹)	(¹)	(¹)
Spain	(¹)	(¹)	(¹)
Venezuela	(¹)	(¹)	(¹)
Mozambique	(¹)	(¹)	(¹)
China	(¹)	(¹)	(¹)
Hong Kong	(¹)	(¹)	(¹)
St Lucia	(¹)	(¹)	(¹)
All other	(¹)	(¹)	(¹)
Total, less developed countries	13.9	21.3	7.9
Grand total	100.0	100.0	100.0

¹ Less than .05 percent.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-4

U.S. Imports for consumption under TSUS Item 807.00, by principal sources, 1984-87

(In millions of dollars)

Source	Total value	Duty-free value	Dutiable value
1984			
Japan	8,351.9	152.1	8,199.8
West Germany	3,771.9	79.3	3,692.6
Canada	1,965.3	657.5	1,307.8
Sweden	902.2	21.2	881.0
France	388.1	46.0	342.1
United Kingdom	267.4	49.2	218.3
Italy	105.8	39.3	66.5
Belgium and Luxembourg	98.4	5.9	92.5
Ireland	75.4	19.4	56.0
Netherlands	73.5	11.5	62.0
Denmark	27.7	1.6	26.1
Austria	5.1	.7	4.4
Switzerland	5.1	.6	4.4
Norway	4.6	.6	4.0
Australia	2.4	.4	2.0
All other	2.4	.9	1.6
Total, developed countries	16,047.3	1,086.2	14,961.0
Mexico	4,775.4	2,530.1	2,245.3
Malaysia	1,421.7	814.3	607.4
Singapore	1,273.8	317.5	956.3
Philippines	911.0	536.0	375.0
South Korea	895.9	547.0	348.9
Taiwan	735.5	150.6	584.9
Hong Kong	507.9	76.7	431.1
Brazil	286.0	32.0	254.0
Thailand	234.9	126.4	108.5
Haiti	205.5	143.2	62.3
Dominican Republic	204.7	143.1	61.6
Barbados	179.4	135.4	44.0
Costa Rica	95.8	71.3	24.5
Indonesia	93.6	45.9	47.7
El Salvador	37.6	27.9	9.7
All other	216.5	117.6	98.9
Total, less developed countries	12,075.2	5,815.0	6,260.2
Grand total	28,122.4	6,901.2	21,221.2

Note.—Because of rounding, figures may not add to the totals shown.

Table B-4—Continued

U.S. Imports for consumption under TSUS Item 807.00, by principal sources, 1984-87

(In millions of dollars)

Source	Total value	Duty-free value	Dutiable value
1985			
Japan	10,990.0	132.8	10,857.3
West Germany	4,657.1	108.9	4,548.3
Canada	1,926.8	569.7	1,357.1
Sweden	1,143.4	37.0	1,106.5
United Kingdom	658.9	70.8	588.1
France	401.5	53.0	348.4
Belgium and Luxembourg	143.3	11.1	132.2
Netherlands	123.6	16.0	107.6
Italy	100.4	30.7	69.7
Ireland	74.1	16.5	57.6
Austria	19.0	.6	18.4
Denmark	17.9	1.5	16.4
Switzerland	8.1	2.4	5.8
Republic of South Africa	3.4	1.1	2.3
Finland	2.3	.5	1.7
All other	4.7	1.4	3.3
Total, developed countries	20,274.5	1,054.0	19,220.6
Mexico	5,536.7	2,933.6	2,603.2
Singapore	995.5	192.2	803.3
Taiwan	518.1	95.9	422.3
Malaysia	427.2	216.9	210.3
South Korea	397.8	175.3	222.6
Hong Kong	393.0	78.4	314.6
Philippines	297.8	141.2	156.5
Brazil	289.4	42.4	247.1
Dominican Republic	246.6	176.5	70.2
Haiti	221.0	149.1	71.9
Costa Rica	98.4	70.7	27.7
Barbados	69.3	43.8	25.5
Thailand	63.2	24.7	38.5
Jamaica	41.5	29.2	12.3
Colombia	32.6	22.5	10.1
All other	212.7	103.4	109.2
Total, less developed countries:	9,840.9	4,495.8	5,345.1
Grand total	30,115.4	5,549.7	24,565.7

Note.—Because of rounding, figures may not add to the totals shown.

Table B-4—Continued

U.S. Imports for consumption under TSUS Item 807.00, by principal sources, 1984-87

(In millions of dollars)

Source	Total value	Duty-free value	Dutiable value
1986			
Japan	13,468.5	174.5	13,294.0
West Germany	6,254.5	108.4	6,146.1
Canada	2,924.3	853.1	2,071.3
Sweden	1,180.7	35.8	1,144.9
United Kingdom	923.2	63.3	859.9
France	576.4	71.4	504.9
Italy	155.5	31.0	124.5
Belgium and Luxembourg	140.2	11.0	129.1
Netherlands	82.8	23.7	59.1
Ireland	51.9	14.9	36.9
Denmark	21.2	1.7	19.5
Switzerland	11.8	2.1	9.7
Austria	7.9	.4	7.5
New Zealand	5.1	.4	4.7
Australia	4.7	1.7	3.0
All other	4.0	1.2	2.8
Total, developed countries	25,812.6	1,394.6	24,418.0
Mexico	6,366.7	3,331.8	3,035.0
South Korea	949.5	66.3	883.2
Taiwan	518.5	91.0	427.5
Brazil	398.7	146.4	252.4
Singapore	365.5	71.5	293.9
Dominican Republic	329.1	236.0	93.1
Haiti	206.4	141.7	64.7
Hong Kong	205.7	46.1	159.6
Malaysia	202.5	84.8	117.7
Philippines	168.4	65.9	102.5
Costa Rica	133.1	91.9	41.2
Jamaica	70.2	50.9	19.3
Colombia	40.0	25.8	14.2
Honduras	32.8	22.9	9.9
Thailand:	29.7	8.6	21.2
All other	202.0	95.9	106.0
Total, less developed countries	10,218.9	4,577.6	5,641.3
Grand total	36,031.5	5,972.1	30,059.3

Note.—Because of rounding, figures may not add to the totals shown.

Table B-4—Continued

U.S. Imports for consumption under TSUS Item 807.00, by principal sources, 1984-87

(In millions of dollars)

Source	Total value	Duty-free value	Dutiable value
1987			
Canada	21,001.5	3,782.5	17,219.0
Japan	14,706.3	379.1	14,327.1
West Germany	7,978.3	126.2	7,852.1
United Kingdom	1,864.8	267.1	1,597.8
France	1,708.7	259.8	1,448.9
Sweden	1,397.5	86.5	1,311.1
Belgium and Luxembourg	338.4	10.2	328.2
Italy	271.7	49.2	222.5
Netherlands	111.3	29.8	81.5
Ireland	34.5	10.9	23.5
Denmark	19.0	1.4	17.7
Finland	16.3	2.6	13.7
Switzerland	10.0	2.0	8.0
Australia	6.0	2.1	4.0
Norway	3.3	1.0	2.4
All other	5.8	.5	5.2
Total, developed countries	49,473.6	5,010.8	44,462.8
Mexico	8,576.4	4,417.2	4,159.1
South Korea	2,676.1	391.2	2,284.9
Singapore	1,697.9	386.5	1,311.4
Malaysia	1,075.2	622.0	453.2
Taiwan	941.1	234.3	706.8
Philippines	643.1	322.0	321.2
Brazil	593.3	88.1	505.2
Dominican Republic	428.6	294.3	134.4
Hong Kong	359.9	83.8	276.1
Haiti	232.6	164.5	68.1
Thailand	221.3	149.4	71.9
Costa Rica	145.8	97.5	48.3
Jamaica	115.8	85.4	30.4
Yugoslavia	71.7	8.2	63.5
Colombia	48.0	30.6	17.4
All other	294.5	141.4	153.0
Total, less developed countries	18,121.5	7,516.4	10,605.1
Grand total	67,595.1	12,527.2	55,067.8

Note.—Because of rounding, figures may not add to the totals shown.

Table B-5

Share of U.S. Imports for consumption under TSUS Item 807.00, by principal sources, 1984-87

(In percent of grand total)

Source	Total value	Duty-free value	Dutiable value
1984			
Japan	29.7	2.2	38.6
West Germany	13.4	1.1	17.4
Canada	7.0	9.5	6.2
Sweden	3.2	.3	4.2
France	1.4	.7	1.6
United Kingdom	1.0	.7	1.0
Italy .....	.4	.6	.3
Belgium and Luxembourg .....	.3	.1	.4
Ireland .....	.3	.3	.3
Netherlands .....	.3	.2	.3
Denmark .....	.1	(¹)	.1
Austria	(¹)	(¹)	(¹)
Switzerland	(¹)	(¹)	(¹)
Norway	(¹)	(¹)	(¹)
Australia	(¹)	(¹)	(¹)
All other	(¹)	(¹)	(¹)
Total, developed countries	57.1	15.7	70.4
Mexico	17.0	36.7	10.6
Malaysia	5.1	11.8	2.9
Singapore	4.5	4.6	4.5
Philippines	3.2	7.8	1.8
South Korea	3.2	7.9	1.6
Taiwan	2.6	2.2	2.8
Hong Kong	1.8	1.1	2.0
Brazil	1.0	.5	1.2
Thailand .....	.8	1.8	.5
Haiti .....	.7	2.1	.3
Dominican Republic .....	.7	2.1	.3
Barbados .....	.6	2.0	.2
Costa Rica .....	.3	1.0	.1
Indonesia .....	.3	.7	.2
El Salvador .....	.1	.4	(¹)
All other .....	.8	1.7	.5
Total, less developed countries	41.9	82.7	29.0
Grand total	100.0	100.0	100.0

¹ Less than 0.05 percent.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-5—Continued

Share of U.S. Imports for consumption under TSUS Item 807.00, by principal sources, 1984-87

(In percent of grand total)

Source	Total value	Duty-free value	Dutiable value
1985			
Japan	36.5	2.4	44.2
West Germany	15.5	2.0	18.5
Canada	6.4	10.3	5.5
Sweden	3.8	.7	4.5
United Kingdom	2.2	1.3	2.4
France	1.3	1.0	1.4
Belgium and Luxembourg .....	.5	.2	.5
Netherlands .....	.4	.3	.4
Italy .....	.3	.6	.3
Ireland .....	.2	.3	.2
Austria .....	.1	(¹)	.1
Denmark .....	.1	(¹)	.1
Switzerland	(¹)	(¹)	(¹)
Republic of South Africa	(¹)	(¹)	(¹)
Finland	(¹)	(¹)	(¹)
All other	(¹)	(¹)	(¹)
Total, developed countries	67.3	19.1	78.1
Mexico	18.4	52.9	10.6
Singapore	3.3	3.5	3.3
Taiwan	1.7	1.7	1.7
Malaysia	1.4	3.9	.9
South Korea	1.3	3.2	.9
Hong Kong	1.3	1.4	1.3
Philippines	1.0	2.5	.6
Brazil	1.0	.8	1.0
Dominican Republic .....	.8	3.2	.3
Haiti .....	.7	2.7	.3
Costa Rica .....	.3	1.3	.1
Barbados .....	.2	.8	.1
Thailand .....	.2	.4	.2
Jamaica .....	.1	.5	.1
Colombia .....	.1	.4	(¹)
All other .....	.7	1.9	.4
Total, less developed countries	31.8	79.2	21.4
Grand total	100.0	100.0	100.0

¹ Less than 0.05 percent.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-5—Continued

Share of U.S. Imports for consumption under TSUS Item 807.00, by principal sources, 1984-87

(In percent of grand total)

Source	Total value	Duty-free value	Dutiable value
1986			
Japan	37.4	2.9	44.2
West Germany	17.4	1.8	20.4
Canada	8.1	14.3	6.9
Sweden	3.3	.6	3.8
United Kingdom	2.6	1.1	2.9
France	1.6	1.2	1.7
Italy .....	.4	.5	.4
Belgium and Luxembourg .....	.4	.2	.4
Netherlands .....	.2	.4	.2
Ireland .....	.1	.3	.1
Denmark .....	.1	(¹)	.1
Switzerland	(¹)	(¹)	(¹)
Austria	(¹)	(¹)	(¹)
New Zealand	(¹)	(¹)	(¹)
Australia	(¹)	(¹)	(¹)
All other	(¹)	(¹)	(¹)
Total, developed countries	71.6	23.3	81.1
Mexico	17.7	55.8	10.1
South Korea	2.6	1.1	2.9
Taiwan	1.4	1.5	1.4
Brazil	1.1	2.5	.8
Singapore	1.0	1.2	1.0
Dominican Republic .....	.9	4.0	.3
Haiti .....	.6	2.4	.2
Hong Kong .....	.6	.8	.5
Malaysia .....	.6	1.4	.4
Philippines .....	.5	1.1	.3
Costa Rica .....	.4	1.5	.1
Jamaica .....	.2	.9	.1
Colombia .....	.1	.4	(¹)
Honduras .....	.1	.4	(¹)
Thailand .....	.1	.1	.1
All other .....	.6	1.6	.4
Total, less developed countries	27.9	75.1	18.2
Grand total	100.0	100.0	100.0

¹ Less than 0.05 percent.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-5—Continued

Share of U.S. Imports for consumption under TSUS item 807.00, by principal sources, 1984-87

(In percent of grand total)

Source	Total value	Duty-free value	Dutiable value
1987			
Canada	31.1	30.2	31.3
Japan	21.8	3.0	26.0
West Germany	11.8	1.0	14.3
United Kingdom	2.8	2.1	2.9
France	2.5	2.1	2.6
Sweden	2.1	.7	2.4
Belgium and Luxembourg .....	.5	.1	.6
Italy .....	.4	.4	.4
Netherlands .....	.2	.2	.1
Ireland .....	.1	.1	(¹)
Denmark	(¹)	(¹)	(¹)
Finland	(¹)	(¹)	(¹)
Switzerland	(¹)	(¹)	(¹)
Australia	(¹)	(¹)	(¹)
Norway	(¹)	(¹)	(¹)
All other	(¹)	(¹)	(¹)
Total, developed countries	73.3	39.9	80.6
Mexico	12.7	35.3	7.6
South Korea	4.0	3.1	4.1
Singapore	2.5	3.1	2.4
Malaysia	1.6	5.0	.8
Taiwan	1.4	1.9	1.3
Philippines	1.0	2.6	.6
Brazil .....	.9	.7	.9
Dominican Republic .....	.6	2.3	.2
Hong Kong .....	.5	.7	.5
Haiti .....	.3	1.3	.1
Thailand .....	.3	1.2	.1
Costa Rica .....	.2	.8	.1
Jamaica .....	.2	.7	.1
Yugoslavia .....	.1	.1	.1
Colombia .....	.1	.2	(¹)
All other .....	.4	1.1	.3
Total, less developed countries	26.4	59.0	18.9
Grand total	100.0	100.0	100.0

¹ Less than 0.05 percent.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-6

U.S. Imports for consumption under TSUS item 806.30, by commodity groups, 1984-87

(In thousands of dollars)						
Commodity group	1984			1985		
	Total value	Duty-free value	Dutiable value	Total value	Duty-free value	Dutiable value
Agricultural, animal, and vegetable products	0	0	0	4	1	4
Forest products	0	0	0	0	0	0
Textiles, apparel, and footwear	0	0	0	0	0	0
Chemicals, coal, petroleum, natural gas, and related products:						
Certain inorganic chemical compounds	10,360	6,509	3,851	8,299	4,996	3,303
All other articles	18	9	9	31	14	17
Total	10,377	6,518	3,860	8,330	5,010	3,320
Minerals and metals:						
Iron and steel mill products, all grades	14,022	9,830	4,192	20,982	13,964	7,018
Shapes and plates of iron or steel, all grades	1,417	751	666	4,417	2,386	2,031
Pipe and tubing of iron or steel, all grades	216	169	47	1,036	603	434
Wire and wire products of iron or steel, all grades	107	79	27	254	147	107
Sheets and strip of iron or steel, all grades, including tin mill products	11,587	8,287	3,300	14,123	10,131	3,992
Other	695	543	152	1,151	696	455
Copper, wrought	2,494	1,630	864	2,770	1,770	1,000
Aluminum	280,786	207,085	73,701	266,274	181,740	84,534
Aluminum, unwrought	7,069	5,784	1,285	905	613	292
Aluminum, wrought other than foil	267,435	197,495	69,940	254,491	174,538	79,954
Aluminum foil	6,282	3,806	2,476	10,878	6,589	4,289
Nickel, wrought	2,575	2,252	323	681	552	129
Lead, unwrought	0	0	0	45	23	21
Tantalum, unwrought, unalloyed	4,823	3,407	1,416	2,033	1,469	564
Titanium, wrought	3,778	3,148	630	6,266	5,304	962
Tungsten, unwrought	529	255	274	438	180	258
Tungsten, wrought	207	116	91	278	103	175
Hinges, fittings and mountings, n.s.p.f.	3,855	2,221	1,633	2,449	1,234	1,215
Interchangeable tools for hand-tools or for machine tools	1,840	1,343	497	1,549	1,082	467
All other articles	24,252	16,425	7,828	33,292	20,877	12,414
Total	339,160	247,712	91,448	337,056	228,298	108,758
Machinery and equipment:						
Parts of steam generating boilers	780	119	661	842	284	557
Parts of steam turbines	118	18	101	0	0	0
Internal combustion engines and parts thereof	481	417	64	1,753	1,490	263
Pumps and compressors, and parts thereof	1,057	575	482	2,079	1,117	962
Lifting, handling, loading, and unloading machinery and parts thereof	71	36	35	8	7	1

Note.—Because of rounding, figures may not add to the totals shown.

Table B-6—Continued

U.S. Imports for consumption under TSUS Item 806.30, by commodity groups, 1984-87

Commodity group	(In thousands of dollars)					
	1984			1985		
	Total value	Duty-free value	Dutiable value	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued						
Machines for working metal, stone, and other materials, except gas-operated metalworking appliances	3,878	2,695	1,182	2,261	1,373	888
Office machines and parts thereof	6,477	2,860	3,618	6,200	2,469	3,731
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases or solids	3,239	1,745	1,494	2,274	1,110	1,164
Miscellaneous machinery parts	4	4	(¹)	48	(¹)	48
Motors and generators; and miscellaneous equipment related to motors, generators, and transformers	6,619	4,707	1,912	7,925	5,698	2,227
Microphones, loudspeakers, and related equipment; and radiotelegraphic and radiotelephonic apparatus and related equipment	42	23	19	1,075	352	723
Electrical capacitors	0	0	0	0	0	0
Articles for making and breaking electrical circuits	2,058	1,263	795	1,460	794	666
Electronic tubes (except X-ray)	4,502	2,404	2,099	6,017	3,564	2,452
Semiconductors	30,748	17,718	13,029	7,852	4,478	3,374
Miscellaneous electrical articles	236	184	51	909	787	122
Parts for rail locomotives and rolling stock	1	(¹)	1	34	6	28
Bodies and chassis for motor vehicles, and other motor vehicle parts	12,771	9,421	3,349	2,352	1,729	624
Parts of aircraft and space-craft	2,174	1,778	396	17,200	9,061	8,139
All other articles	19,589	4,945	14,644	10,364	5,027	5,337
Total	94,845	50,912	43,933	70,653	39,347	31,306
Miscellaneous manufactures	5,811	4,140	1,671	3,610	2,367	1,243
Grand total	450,193	309,282	140,911	419,654	275,022	144,632

Note.—Because of rounding, figures may not add to the totals shown.

Table B-6—Continued

U.S. Imports for consumption under TSUS Item 806.30, by commodity groups, 1984-87

Commodity group	1986			1987		
	Total value	Duty-free value	Dutiable value	Total value	Duty-free value	Dutiable value
Agricultural, animal, and vegetable products	0	0	0	0	0	0
Forest products	1	(1)	1	0	0	0
Textiles, apparel, and footwear	5	4	(1)	0	0	0
Chemicals, coal, petroleum, natural gas, and related products:						
Certain inorganic chemical compounds ..	8,602	4,886	3,716	8,030	4,618	3,411
All other articles	1,263	924	339	47	17	30
Total	9,865	5,810	4,055	8,076	4,635	3,441
Minerals and metals:						
Iron and steel mill products, all grades	56,887	39,361	17,526	62,151	38,762	23,388
Shapes and plates of iron or steel, all grades	5,616	2,781	2,835	332	192	140
Pipe and tubing of iron or steel, all grades	819	556	264	1,441	1,031	410
Wire and wire products of iron or steel, all grades	1,196	514	682	1,371	548	824
Sheets and strip of iron or steel, all grades, including tin mill products	45,001	32,819	12,182	40,642	29,066	11,576
Other	4,255	2,691	1,564	18,364	7,925	10,438
Copper, wrought	1,142	720	422	4,261	2,561	1,700
Aluminum	273,757	181,075	92,682	218,228	142,128	76,100
Aluminum, unwrought	0	0	0	0	0	0
Aluminum, wrought other than foil	262,670	175,738	86,932	207,677	137,158	70,519
Aluminum foil	11,086	5,337	5,750	10,537	4,967	5,571
Nickel, wrought	817	704	113	91	80	11
Lead, unwrought	220	164	56	307	210	96
Tantalum, unwrought, unalloyed	2,150	1,523	626	2,618	1,472	1,146
Titanium, wrought	6,224	5,357	868	7,197	6,165	1,033
Tungsten, unwrought	535	221	315	351	133	218
Tungsten, wrought	211	95	117	0	0	0
Hinges, fittings and mountings, n.s.p.f.	2,963	1,293	1,670	2,977	1,082	1,895
Interchangeable tools for hand-tools or for machine tools	1,551	1,097	454	788	543	245
All other articles	66,008	45,236	20,773	73,999	45,944	28,055
Total	412,466	276,846	135,620	372,968	239,080	133,888
Machinery and equipment:						
Parts of steam generating boilers	448	173	274	1,018	196	822
Parts of steam turbines	0	0	0	14	(1)	14
Internal combustion engines and parts thereof	1,154	972	183	5,364	2,427	2,937
Pumps and compressors, and parts thereof	927	426	502	932	382	550
Lifting, handling, loading, and unloading machinery and parts thereof	898	756	142	5,484	1,584	3,900

Note.—Because of rounding, figures may not add to the totals shown.

Table B-6—Continued

U.S. Imports for consumption under TSUS item 806.30, by commodity groups, 1984-87

Commodity group	(In thousands of dollars)					
	1986			1987		
	Total value	Duty-free value	Dutiable value	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued						
Machines for working metal, stone, and other materials, except gas-operated metalworking appliances	2,111	1,535	576	20,464	16,379	4,085
Office machines and parts thereof	295	108	187	426	58	368
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases or solids	2,688	1,155	1,533	4,233	2,208	2,026
Miscellaneous machinery parts	1	(¹)	1	122	50	72
Motors and generators; and miscellaneous equipment related to motors, generators, and transformers	9,422	6,706	2,717	10,304	7,786	2,519
Microphones, loudspeakers, and related equipment; and radiotelegraphic and radiotelephonic apparatus and related equipment	522	337	185	246	70	176
Electrical capacitors	20	16	5	68	49	19
Articles for making and breaking electrical circuits	2,487	1,475	1,012	3,729	2,575	1,155
Electronic tubes (except X-ray)	4,342	2,543	1,799	4,667	2,818	1,849
Semiconductors	140	117	23	621	404	218
Miscellaneous electrical articles	1,431	1,176	254	664	564	101
Parts for rail locomotives and rolling stock	52	21	31	2	(¹)	2
Bodies and chassis for motor vehicles, and other motor vehicle parts	1,954	1,535	420	2,991	2,393	598
Parts of aircraft and space-craft	280	205	75	489,270	121,253	368,017
All other articles	12,157	5,356	6,801	19,661	9,054	10,607
Total	41,330	24,611	16,719	570,283	170,248	400,035
Miscellaneous manufactures	1,875	1,160	715	2,545	1,576	969
Grand total	465,542	308,431	157,110	953,872	415,540	538,332

Note.—Because of rounding, figures may not add to the totals shown.

Table B-7

U.S. imports for consumption under TSUS Item 806.30, by principal sources, 1987

Source	Total value		Duty-free value	
	Value	Percent of total	Value	Percent of total
	Million dollars		Million dollars	
Grand total	953.9	100.0	415.6	100.0
Top 10 sources, total	948.0	99.4	412.4	99.2
Canada	550.6	57.7	200.4	48.2
Japan	178.0	18.5	107.4	25.8
Mexico	112.3	11.8	76.2	18.3
Italy	70.8	7.4	5.6	1.3
West Germany	14.4	1.5	7.9	1.9
Brazil	11.1	1.2	7.8	1.9
Singapore	4.6	.5	2.6	.6
United Kingdom	4.6	1.5	2.0	.5
Portugal	2.4	.3	1.7	.4
Switzerland	1.2	.1	.8	.2
All other	5.9	.6	3.2	.8

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B-8

U.S. Imports for consumption from Canada under TSUS Item 806.30, by commodity groups, 1987

(In thousands of dollars)

Commodity group	Total value	Duty-free value	Dutiable value
Agricultural, animal, and vegetable products	0	0	0
Forest products	0	0	0
Textiles, apparel, and footwear	0	0	0
Chemicals, coal, petroleum, natural gas, and related products:			
Certain inorganic chemical compounds	0	0	0
All other articles	29	4	25
Total	29	4	25
Minerals and metals:			
Iron and steel mill products, all grades	18,483	8,250	10,233
Shapes and plates of iron or steel, all grades	269	173	95
Pipe and tubing of iron or steel, all grades	1,432	1,025	406
Wire and wire products of iron or steel, all grades	14	6	8
Sheets and strip of iron or steel, all grades, including tin mill products	1,666	1,472	194
Other	15,103	5,574	9,529
Copper, wrought	1,238	610	626
Aluminum	43,965	34,840	9,125
Aluminum, unwrought	0	0	0
Aluminum, wrought other than foil	43,962	34,838	9,124
Aluminum foil	2	1	1
Nickel, wrought	72	63	9
Lead, unwrought	271	192	79
Tantalum, unwrought, unalloyed	30	13	17
Titanium, wrought	7,044	6,050	994
Tungsten, unwrought	55	47	7
Tungsten, wrought	0	0	0
Hinges, fittings and mountings, n.e.p.f.	2,158	450	1,707
Interchangeable tools for handtools or for machine tools	92	61	31
All other articles	25,879	12,142	13,737
Total	99,283	62,718	36,566
Machinery and equipment:			
Parts of steam generating boilers	1,018	196	822
Parts of steam turbines	14	(¹)	14
Internal combustion engines and parts thereof	45	39	5
Pumps and compressors, and parts thereof	474	87	387
Lifting, handling, loading, and unloading machinery and parts thereof	24	13	11
Machines for working metal, stone, and other materials, except gas-operated metalworking appliances	20,184	16,149	4,034
Office machines and parts thereof	0	0	0
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases or solids	2,173	891	1,282

¹ Less than \$500.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-8—Continued

U.S. Imports for consumption from Canada under TSUS item 806.30, by commodity groups, 1987

(In thousands of dollars)

Commodity group	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Miscellaneous machinery parts	122	50	72
Motors and generators; and miscellaneous equipment related to motors, generators, and transformers	569	250	319
Microphones, loudspeakers, and related equipment; and radiotelegraphic and radiotelephonic apparatus and related equipment	7	2	4
Electrical capacitors	0	0	0
Articles for making and breaking electrical circuits	1,684	1,006	678
Electronic tubes (except X-ray)	0	0	0
Semiconductors	0	0	0
Miscellaneous electrical articles	6	6	(¹)
Parts for rail locomotives and rolling stock	2	(¹)	2
Bodies and chassis for motor vehicles, and other motor vehicle parts	188	151	38
Parts of aircraft and space-craft	418,117	115,767	302,350
All other articles	6,359	2,912	3,447
Total	450,983	137,518	313,465
Miscellaneous manufactures	246	132	115
Grand total	550,542	200,371	350,171

¹ Less than \$500.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-9

U.S. Imports for consumption from Japan under TSUS Item 806.30, by commodity groups, 1987

(In thousands of dollars)

Commodity group	Total value	Duty-free value	Dutiable value
Agricultural, animal, and vegetable products	0	0	0
Forest products	0	0	0
Textiles, apparel, and footwear	0	0	0
Chemicals, coal, petroleum, natural gas, and related products			
Certain inorganic chemical compounds	0	0	0
All other articles	0	0	0
Total	0	0	0
Minerals and metals:			
Iron and steel mill products, all grades	1,171	630	541
Shapes and plates of iron or steel, all grades ..	0	0	0
Pipe and tubing of iron or steel, all grades	0	0	0
Wire and wire products of iron or steel, all grades	0	0	0
Sheets and strip of iron or steel, all grades, including tin mill products	1,171	630	541
Other	0	0	0
Copper, wrought	0	0	0
Aluminum	171,635	105,327	66,308
Aluminum, unwrought	0	0	0
Aluminum, wrought other than foil	161,100	100,362	60,738
Aluminum foil	10,535	4,965	5,570
Nickel, wrought	0	0	0
Lead, unwrought	0	0	0
Tantalum, unwrought, unalloyed	0	0	0
Titanium, wrought	53	48	5
Tungsten, unwrought	0	0	0
Tungsten, wrought	0	0	0
Hinges, fittings and mountings, n.s.p.f.	0	0	0
Interchangeable tools for hand-tools or for machine tools	0	0	0
All other articles	1,317	738	579
Total	174,176	106,742	67,434
Machinery and equipment:			
Parts of steam generating boilers	0	0	0
Parts of steam turbines	0	0	0
Internal combustion engines and parts thereof ..	0	0	0
Pumps and compressors, and parts thereof	0	0	0
Lifting, handling, loading, and unloading machinery and parts thereof	208	97	110
Machines for working metal, stone, and other materials, except gas-operated metalworking appliances	0	0	0
Office machines and parts thereof	98	(¹)	98
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases or solids	0	0	0

¹ Less than \$500.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-9—Continued

U.S. Imports for consumption from Japan under TSUS Item 806.30, by commodity groups, 1987

(In thousands of dollars)

Commodity group	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Miscellaneous machinery parts	0	0	0
Motors and generators; and miscellaneous equipment related to motors, generators, and transformers	1	1	(1)
Microphones, loudspeakers, and related equipment; and radiotelegraphic and radiotelephonic apparatus and related equipment	0	0	0
Electrical capacitors	0	0	0
Articles for making and breaking electrical circuits	109	83	27
Electronic tubes (except X-ray)	72	43	29
Semiconductors	0	0	0
Miscellaneous electrical articles	0	0	0
Parts for rail locomotives and rolling stock	0	0	0
Bodies and chassis for motor vehicles, and other motor vehicle parts	0	0	0
Parts of aircraft and space-craft	683	236	447
All other articles	487	6	481
Total	1,658	467	1,191
Miscellaneous manufactures	184	171	13
Grand total	176,018	107,380	68,638

¹ Less than \$500.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-10

U.S. Imports for consumption from Mexico under TSUS Item 806.30, by commodity groups, 1987

(In thousands of dollars)

Commodity group	Total value	Duty-free value	Dutiable val
Agricultural, animal, and vegetable products	0	0	0
Forest products	0	0	0
Textiles, apparel, and footwear	0	0	0
Chemicals, coal, petroleum, natural gas, and related products			
Certain inorganic chemical compounds	0	0	0
All other articles	1	(¹)	1
Total	1	(¹)	1
Minerals and metals :			
Iron and steel mill products, all grades	35,037	24,765	10,272
Shapes and plates of iron or steel, all grades	0	0	0
Pipe and tubing of iron or steel, all grades	9	6	3
Wire and wire products of iron or steel, all grades	1,357	542	816
Sheets and strip of iron or steel, all grades, including tin mill products	30,411	21,867	8,543
Other	3,260	2,350	910
Copper, wrought	4	3	1
Aluminum	2,301	1,717	584
Aluminum, unwrought	0	0	0
Aluminum, wrought other than foil	2,288	1,715	573
Aluminum foil	0	0	0
Nickel, wrought	0	0	0
Lead, unwrought	36	18	18
Tantalum, unwrought, unalloyed	0	0	0
Titanium, wrought	0	0	0
Tungsten, unwrought	0	0	0
Tungsten, wrought	0	0	0
Hinges, fittings and mountings, n.s.p.f.	820	632	188
Interchangeable tools for handtools or for machine tools	683	482	201
All other articles	38,228	27,196	11,032
Total	77,109	54,813	22,295
Machinery and equipment:			
Parts of steam generating boilers	0	0	0
Parts of steam turbines	0	0	0
Internal combustion engines and parts thereof ..	639	555	85
Pumps and compressors, and parts thereof	260	246	14
Lifting, handling, loading, and unloading machinery and parts thereof	5,252	1,473	3,779
Machines for working metal, stone, and other materials, except gas-operated metalworking appliances	9	3	7
Office machines and parts thereof	2	1	1
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases or solids	1,498	1,251	247

¹ Less than \$500.

Table B-10—Continued

U.S. Imports for consumption from Mexico under TSUS Item 806.30, by commodity groups, 1987

(In thousands of dollars)

Commodity group	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Miscellaneous machinery parts	0	0	0
Motors and generators; and miscellaneous equipment related to motors, generators, and transformers	9,734	7,535	2,199
Microphones, loudspeakers, and related equipment; and radiotelegraphic and radiotelephonic apparatus and related equipment	229	66	163
Electrical capacitors	0	0	0
Articles for making and breaking electrical circuits	1,891	1,460	431
Electronic tubes (except X-ray)	0	0	0
Semiconductors	0	0	0
Miscellaneous electrical articles	654	558	97
Parts for rail locomotives and rolling stock	0	0	0
Bodies and chassis for motor vehicles, and other motor vehicle parts	2,758	2,207	551
Parts of aircraft and space-craft	49	39	10
All other articles	10,757	5,172	5,585
Total	33,732	20,565	13,167
Miscellaneous manufactures	1,446	811	635
Grand total	112,288	76,190	36,099

Note.—Because of rounding, figures may not add to the totals shown.

Table B-11

U.S. Imports for consumption from Italy under TSUS Item 806.30, by commodity groups, 1987

(In thousands of dollars)

Commodity group	Total value	Duty-free value	Dutiable value
Agricultural, animal, and vegetable products	0	0	0
Forest products	0	0	0
Textiles, apparel, and footwear	0	0	0
Chemicals, coal, petroleum, natural gas, and related products:			
Certain inorganic chemical compounds	0	0	0
All other articles	0	0	0
Total	0	0	0
Minerals and metals:			
Iron and steel mill products, all grades	666	350	316
Shapes and plates of iron or steel, all grades	0	0	0
Pipe and tubing of iron or steel, all grades	0	0	0
Wire and wire products of iron or steel, all grades	0	0	0
Sheets and strip of iron or steel, all grades, including tin mill products	666	350	316
Other	0	0	0
Copper, wrought	0	0	0
Aluminum	0	0	0
Aluminum, unwrought	0	0	0
Aluminum, wrought other than foil	0	0	0
Aluminum foil	0	0	0
Nickel, wrought	0	0	0
Lead, unwrought	0	0	0
Tantalum, unwrought, unalloyed	0	0	0
Titanium, wrought	0	0	0
Tungsten, unwrought	0	0	0
Tungsten, wrought	0	0	0
Hinges, fittings and mountings, n.s.p.f.	0	0	0
Interchangeable tools for hand-tools or for machine tools	0	0	0
All other articles	666	350	316
Total	1,331	700	631
Machinery and equipment:			
Parts of steam generating boilers	0	0	0
Parts of steam turbines	0	0	0
Internal combustion engines and parts thereof ..	0	0	0
Pumps and compressors, and parts thereof	0	0	0
Lifting, handling, loading, and unloading machinery and parts thereof	0	0	0
Machines for working metal, stone, and other materials, except gas-operated metalworking appliances	0	0	0
Office machines and parts thereof	0	0	0
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases or solids	0	0	0

Table B-11—Continued

U.S. Imports for consumption from Italy under TSUS Item 806.30, by commodity groups, 1987

(In thousands of dollars)

Commodity group	Total value	Duty-free value	Dutiable value
Machinery and equipment —Continued			
Miscellaneous machinery parts	0	0	0
Motors and generators; and miscellaneous equipment related to motors, generators, and transformers	0	0	0
Microphones, loudspeakers, and related equipment; and radiotelegraphic and radiotelephonic apparatus and related equipment	0	0	0
Electrical capacitors	0	0	0
Articles for making and breaking electrical circuits	0	0	0
Electronic tubes (except X-ray)	0	0	0
Semiconductors	0	0	0
Miscellaneous electrical articles	0	0	0
Parts for rail locomotives and rolling stock	0	0	0
Bodies and chassis for motor vehicles, and other motor vehicle parts	0	0	0
Parts of aircraft and space-craft	69,425	4,882	64,543
All other articles	0	0	0
Total	69,425	4,882	64,543
Miscellaneous manufactures	0	0	0
Grand total	70,757	5,582	65,175

Note.—Because of rounding, figures may not add to the totals shown.

Table B-12

U.S. Imports for consumption from West Germany under TSUS Item 806.30, by commodity groups, 1987

(In thousands of dollars)

Commodity group	Total value	Duty-free value	Dutiable value
Agricultural, animal, and vegetable products	0	0	0
Forest products	0	0	0
Textiles, apparel, and footwear	0	0	0
Chemicals, coal, petroleum, natural gas, and related products:			
Certain inorganic chemical compounds	7,505	4,280	3,226
All other articles	17	13	4
Total	7,522	4,293	3,230
Minerals and metals:			
Iron and steel mill products, all grades	67	21	45
Shapes and plates of iron or steel, all grades	64	19	45
Pipe and tubing of iron or steel, all grades	0	0	0
Wire and wire products of iron or steel, all grades	0	0	0
Sheets and strip of iron or steel, all grades, including tin mill products	2	1	(¹)
Other	2	1	(¹)
Copper, wrought	2,998	1,927	1,069
Aluminum	0	0	0
Aluminum, unwrought	0	0	0
Aluminum, wrought other than foil	0	0	0
Aluminum foil	0	0	0
Nickel, wrought	0	0	0
Lead, unwrought	0	0	0
Tantalum, unwrought, unalloyed	1,673	989	705
Titanium, wrought	15	10	5
Tungsten, unwrought	281	71	209
Tungsten, wrought	0	0	0
Hinges, fittings and mountings, n.e.s.p.f.	0	0	0
Interchangeable tools for hand-tools or for machine tools	0	0	0
All other articles	359	212	148
Total	5,391	3,210	2,181
Machinery and equipment:			
Parts of steam generating boilers	0	0	0
Parts of steam turbines	0	0	0
Internal combustion engines and parts thereof ..	410	66	344
Pumps and compressors, and parts thereof	0	0	0
Lifting, handling, loading, and unloading machinery and parts thereof	0	0	0
Machines for working metal, stone, and other materials, except gas-operated metalworking appliances	271	227	44
Office machines and parts thereof	234	47	186
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases or solids	25	3	22

¹ Less than \$500.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-12—Continued

U.S. Imports for consumption from West Germany under TSUS Item 806.30, by commodity groups, 1987

(In thousands of dollars)

Commodity group	Total value	Duty-free value	Dutiable value
Machinery and equipment —Continued			
Miscellaneous machinery parts	0	0	0
Motors and generators; and miscellaneous equipment related to motors, generators, and transformers	0	0	0
Microphones, loudspeakers, and related equipment; and radiotelegraphic and radiotelephonic apparatus and related equipment	0	0	0
Electrical capacitors	0	0	0
Articles for making and breaking electrical circuits	0	0	0
Electronic tubes (except X-ray)	0	0	0
Semiconductors	0	0	0
Miscellaneous electrical articles	0	0	0
Parts for rail locomotives and rolling stock	0	0	0
Bodies and chassis for motor vehicles, and other motor vehicle parts	0	0	0
Parts of aircraft and space-craft	0	0	0
All other articles	381	21	360
Total	1,321	364	956
Miscellaneous manufactures	126	68	58
Grand total	14,360	7,935	6,425

Note.—Because of rounding, figures may not add to the totals shown.

Table B-13

U.S. Imports for consumption from Brazil under TSUS Item 806.30, by commodity groups, 1987

(In thousands of dollars)

Commodity group	Total value	Duty-free value	Dutiable value
Agricultural, animal, and vegetable products	0	0	0
Forest products	0	0	0
Textiles, apparel, and footwear	0	0	0
Chemicals, coal, petroleum, natural gas, and related products			
Certain inorganic chemical compounds	0	0	0
All other articles	0	0	0
Total	0	0	0
Minerals and metals:			
Iron and steel mill products, all grades	5,530	3,865	1,665
Shapes and plates of iron or steel, all grades	0	0	0
Pipe and tubing of iron or steel, all grades	0	0	0
Wire and wire products of iron or steel, all grades	0	0	0
Sheets and strip of iron or steel, all grades, including tin mill products	5,530	3,865	1,665
Other	0	0	0
Copper, wrought	0	0	0
Aluminum	25	20	6
Aluminum, unwrought	0	0	0
Aluminum, wrought other than foil	25	20	6
Aluminum foil	0	0	0
Nickel, wrought	0	0	0
Lead, unwrought	0	0	0
Tantalum, unwrought, unalloyed	0	0	0
Titanium, wrought	0	0	0
Tungsten, unwrought	0	0	0
Tungsten, wrought	0	0	0
Hinges, fittings and mountings, n.s.p.f.	0	0	0
Interchangeable tools for hand-tools or for machine tools	0	0	0
All other articles	5,530	3,865	1,665
Total	11,086	7,750	3,336
Machinery and equipment:			
Parts of steam generating boilers	0	0	0
Parts of steam turbines	0	0	0
Internal combustion engines and parts thereof ..	0	0	0
Pumps and compressors, and parts thereof	0	0	0
Lifting, handling, loading, and unloading machinery and parts thereof	0	0	0
Machines for working metal, stone, and other materials, except gas-operated metalworking appliances	0	0	0
Office machines and parts thereof	0	0	0
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases or solids	0	0	0

Table B-13—Continued

U.S. Imports for consumption from Brazil under TSUS Item 806.30, by commodity groups, 1987

(In thousands of dollars)

Commodity group	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Miscellaneous machinery parts	0	0	0
Motors and generators; and miscellaneous equipment related to motors, generators, and transformers	0	0	0
Microphones, loudspeakers, and related equipment; and radiotelegraphic and radiotelephonic apparatus and related equipment	0	0	0
Electrical capacitors	0	0	0
Articles for making and breaking electrical circuits	0	0	0
Electronic tubes (except X-ray)	0	0	0
Semiconductors	0	0	0
Miscellaneous electrical articles	0	0	0
Parts for rail locomotives and rolling stock	0	0	0
Bodies and chassis for motor vehicles, and other motor-vehicle parts	45	35	10
Parts of aircraft and space-craft	0	0	0
All other articles	0	0	0
Total	45	35	10
Miscellaneous manufactures	0	0	0
Grand total	11,131	7,785	3,346

Note.—Because of rounding, figures may not add to the totals shown.

Table B-14

U.S. Imports for consumption from Singapore under TSUS item 806.30, by commodity groups, 1987

(In thousands of dollars)

Commodity group	Total value	Duty-free value	Dutiable value
Agricultural, animal, and vegetable products	0	0	0
Forest products	0	0	0
Textiles, apparel, and footwear	0	0	0
Chemicals, coal, petroleum, natural gas, and related products			
Certain inorganic chemical compounds	0	0	0
All other articles	0	0	0
Total	0	0	0
Minerals and metals:			
Iron and steel mill products, all grades	0	0	0
Shapes and plates of iron or steel, all grades	0	0	0
Pipe and tubing of iron or steel, all grades	0	0	0
Wire and wire products of iron or steel, all grades	0	0	0
Sheets and strip of iron or steel, all grades, including tin mill products	0	0	0
Other	0	0	0
Copper, wrought	0	0	0
Aluminum	0	0	0
Aluminum, unwrought	0	0	0
Aluminum, wrought other than foil	0	0	0
Aluminum foil	0	0	0
Nickel, wrought	0	0	0
Lead, unwrought	0	0	0
Tantalum, unwrought, unalloyed	0	0	0
Titanium, wrought	0	0	0
Tungsten, unwrought	0	0	0
Tungsten, wrought	0	0	0
Hinges, fittings and mountings, n.s.p.f.	0	0	0
Interchangeable tools for hand-tools or for machine tools	0	0	0
All other articles	0	0	0
Total	0	0	0
Machinery and equipment:			
Parts of steam generating boilers	0	0	0
Parts of steam turbines	0	0	0
Internal combustion engines and parts thereof ..	0	0	0
Pumps and compressors, and parts thereof	0	0	0
Lifting, handling, loading, and unloading machinery and parts thereof	0	0	0
Machines for working metal, stone, and other materials, except gas-operated metalworking appliances	0	0	0
Office machines and parts thereof	92	9	83
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases or solids	0	0	0

Table B-14—Continued

U.S. Imports for consumption from Singapore under TSUS Item 806.30, by commodity groups, 1987

(In thousands of dollars)

Commodity group	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Miscellaneous machinery parts	0	0	0
Motors and generators; and miscellaneous equipment related to motors, generators, and transformers	0	0	0
Microphones, loudspeakers, and related equipment; and radiotelegraphic and radiotelephonic apparatus and related equipment	0	0	0
Electrical capacitors	0	0	0
Articles for making and breaking electrical circuits	0	0	0
Electronic tubes (except X-ray)	4,293	2,598	1,695
Semiconductors	0	0	0
Miscellaneous electrical articles	0	0	0
Parts for rail locomotives and rolling stock	0	0	0
Bodies and chassis for motor vehicles, and other motor vehicle parts	0	0	0
Parts of aircraft and space-craft	250	(¹)	250
All other articles	0	0	0
Total	4,635	2,607	2,028
Miscellaneous manufactures	0	0	0
Grand total	4,635	2,607	2,028

¹ Less than \$500.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-15

U.S. Imports for consumption from United Kingdom under TSUS Item 806.30, by commodity groups, 1987

(In thousands of dollars)

Commodity group	Total value	Duty-free value	Dutiable value
Agricultural, animal, and vegetable products	0	0	0
Forest products	0	0	0
Textiles, apparel, and footwear	0	0	0
Chemicals, coal, petroleum, natural gas, and related products			
Certain inorganic chemical compounds	98	46	52
All other articles	0	0	0
Total	98	46	52
Minerals and metals:			
Iron and steel mill products, all grades	37	30	7
Shapes and plates of iron or steel, all grades	0	0	0
Pipe and tubing of iron or steel, all grades	0	0	0
Wire and wire products of iron or steel, all grades	0	0	0
Sheets and strip of iron or steel, all grades, including tin mill products	37	30	7
Other	0	0	0
Copper, wrought	23	20	3
Aluminum	0	0	0
Aluminum, unwrought	0	0	0
Aluminum, wrought other than foil	0	0	0
Aluminum foil	0	0	0
Nickel, wrought	0	0	0
Lead, unwrought	0	0	0
Tantalum, unwrought, unalloyed	0	0	0
Titanium, wrought	0	0	0
Tungsten, unwrought	0	0	0
Tungsten, wrought	0	0	0
Hinges, fittings and mountings, n.s.p.f.	0	0	0
Interchangeable tools for hand-tools or for machine tools	0	0	0
All other articles	39	30	9
Total	100	80	19
Machinery and equipment:			
Parts of steam generating boilers	0	0	0
Parts of steam turbines	0	0	0
Internal combustion engines and parts thereof	3,863	1,653	2,210
Pumps and compressors, and parts thereof	133	17	116
Lifting, handling, loading, and unloading machinery and parts thereof	0	0	0
Machines for working metal, stone, and other materials, except gas-operated metalworking appliances	0	0	0
Office machines and parts thereof	0	0	0
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases or solids	0	0	0

Table B-15—Continued

U.S. Imports for consumption from United Kingdom under TSUS Item 806.30, by commodity groups, 1987

(In thousands of dollars)

Commodity group	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Miscellaneous machinery parts	0	0	0
Motors and generators; and miscellaneous equipment related to motors, generators, and transformers	0	0	0
Microphones, loudspeakers, and related equipment; and radiotelegraphic and radiotelephonic apparatus and related equipment	0	0	0
Electrical capacitors	0	0	0
Articles for making and breaking electrical circuits	0	0	0
Electronic tubes (except X-ray)	0	0	0
Semiconductors	0	0	0
Miscellaneous electrical articles	0	0	0
Parts for rail locomotives and rolling stock	0	0	0
Bodies and chassis for motor vehicles, and other motor vehicle parts	0	0	0
Parts of aircraft and space-craft	0	0	0
All other articles	294	183	110
Total	4,290	1,853	2,437
Miscellaneous manufactures	92	60	32
Grand total	4,579	2,039	2,540

Note.—Because of rounding, figures may not add to the totals shown.

Table B-16

U.S. Imports for consumption from Portugal under TSUS Item 806.30, by commodity groups, 1987

(In thousands of dollars)

Commodity group	Total value	Duty-free value	Dutiable value
Agricultural, animal, and vegetable products	0	0	0
Forest products	0	0	0
Textiles, apparel, and footwear	0	0	0
Chemicals, coal, petroleum, natural gas, and related products			
Certain inorganic chemical compounds	0	0	0
All other articles	0	0	0
Total	0	0	0
Minerals and metals:			
Iron and steel mill products, all grades	1,130	826	304
Shapes and plates of iron or steel, all grades	0	0	0
Pipe and tubing of iron or steel, all grades	0	0	0
Wire and wire products of iron or steel, all grades	0	0	0
Sheets and strip of iron or steel, all grades, including tin mill products	1,130	826	304
Other	0	0	0
Copper, wrought	2	1	1
Aluminum	0	0	0
Aluminum, unwrought	0	0	0
Aluminum, wrought other than foil	0	0	0
Aluminum foil	0	0	0
Nickel, wrought	0	0	0
Lead, unwrought	0	0	0
Tantalum, unwrought, unalloyed	0	0	0
Titanium, wrought	0	0	0
Tungsten, unwrought	0	0	0
Tungsten, wrought	0	0	0
Hinges, fittings and mountings, n.s.p.f.	0	0	0
Interchangeable tools for handtools or for machine tools	0	0	0
All other articles	1,132	827	305
Total	2,264	1,654	610
Machinery and equipment:			
Parts of steam generating boilers	0	0	0
Parts of steam turbines	0	0	0
Internal combustion engines and parts thereof ..	0	0	0
Pumps and compressors, and parts thereof	0	0	0
Lifting, handling, loading, and unloading machinery and parts thereof	0	0	0
Machines for working metal, stone, and other materials, except gas-operated metalworking appliances	0	0	0
Office machines and parts thereof	0	0	0
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases or solids	10	5	5

Note.—Because of rounding, figures may not add to the totals shown.

Table B-16—Continued

U.S. Imports for consumption from Portugal under TSUS item 806.30, by commodity groups, 1987

(In thousands of dollars)

Commodity group	Total value	Duty-free value	Dutiable value
Machinery and equipment —Continued			
Miscellaneous machinery parts	0	0	0
Motors and generators; and miscellaneous equipment related to motors, generators, and transformers	0	0	0
Microphones, loudspeakers, and related equipment; and radiotelegraphic and radiotelephonic apparatus and related equipment	0	0	0
Electrical capacitors	0	0	0
Articles for making and breaking electrical circuits	0	0	0
Electronic tubes (except X-ray)	0	0	0
Semiconductors	0	0	0
Miscellaneous electrical articles	0	0	0
Parts for rail locomotives and rolling stock	0	0	0
Bodies and chassis for motor vehicles, and other motor vehicle parts	0	0	0
Parts of aircraft and spacecraft	0	0	0
All other articles	147	38	109
Total	157	43	114
Miscellaneous manufactures	0	0	0
Grand total	2,421	1,698	723

Note.—Because of rounding, figures may not add to the totals shown.

Table B-17

U.S. Imports for consumption from Switzerland under TSUS Item 806.30, by commodity groups, 1987

(In thousands of dollars)

Commodity group	Total value	Duty-free value	Dutiable value
Agricultural, animal, and vegetable products	0	0	0
Forest products	0	0	0
Textiles, apparel, and footwear	0	0	0
Chemicals, coal, petroleum, natural gas, and related products			
Certain inorganic chemical compounds	0	0	0
All other articles	0	0	0
Total	0	0	0
Minerals and metals:			
Iron and steel mill products, all grades	0	0	0
Shapes and plates of iron or steel, all grades	0	0	0
Pipe and tubing of iron or steel, all grades	0	0	0
Wire and wire products of iron or steel, all grades	0	0	0
Sheets and strip of iron or steel, all grades, including tin mill products	0	0	0
Other	0	0	0
Copper, wrought	0	0	0
Aluminum	0	0	0
Aluminum, unwrought	0	0	0
Aluminum, wrought other than foil	0	0	0
Aluminum foil	0	0	0
Nickel, wrought	0	0	0
Lead, unwrought	0	0	0
Tantalum, unwrought, unalloyed	0	0	0
Titanium, wrought	0	0	0
Tungsten, unwrought	0	0	0
Tungsten, wrought	0	0	0
Hinges, fittings and mountings, n.s.p.f.	0	0	0
Interchangeable tools for handtools or for machine tools	14	(1)	13
All other articles	705	498	207
Total	719	499	221
Machinery and equipment:			
Parts of steam generating boilers	0	0	0
Parts of steam turbines	0	0	0
Internal combustion engines and parts thereof ..	0	0	0
Pumps and compressors, and parts thereof	0	0	0
Lifting, handling, loading, and unloading machinery and parts thereof	0	0	0
Machines for working metal, stone, and other materials, except gas-operated metalworking appliances	0	0	0
Office machines and parts thereof	0	0	0
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases or solids	0	0	0

¹ Less than \$500.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-17—Continued

U.S. Imports for consumption from Switzerland under TSUS Item 806.30, by commodity groups, 1987

(In thousands of dollars)

Commodity group	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Miscellaneous machinery parts	0	0	0
Motors and generators; and miscellaneous equipment related to motors, generators, and transformers	0	0	0
Microphones, loudspeakers, and related equipment; and radiotelegraphic and radiotelephonic apparatus and related equipment	0	0	0
Electrical capacitors	0	0	0
Articles for making and breaking electrical circuits	0	0	0
Electronic tubes (except X-ray)	0	0	0
Semiconductors	0	0	0
Miscellaneous electrical articles	0	0	0
Parts for rail locomotives and rolling stock	0	0	0
Bodies and chassis for motor vehicles, and other motor-vehicle parts	0	0	0
Parts of aircraft and spacecraft	0	0	0
All other articles	2	(¹)	2
Total	2	(¹)	2
Miscellaneous manufactures	450	334	117
Grand total	1,171	832	339

¹ Less than \$500.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-18

U.S. Imports for consumption under TSUS Item 807.00, by commodity groups, 1984-87

Commodity group	(In thousands of dollars)					
	1984			1985		
	Total value	Duty-free value	Dutiable value	Total value	Duty-free value	Dutiable value
Agricultural, animal, and vegetable products:						
Mushrooms and truffles	6,045	500	5,544	16,702	1,606	15,096
All other articles	1,336	283	1,053	1,045	237	808
Total	7,381	784	6,598	17,747	1,842	15,904
Forest products:						
Industrial papers, packaging and miscellaneous papers	98,788	80,843	17,945	117,006	94,345	22,661
All other articles	10,604	1,429	9,175	16,478	2,746	13,732
Total	109,392	82,272	27,120	133,483	97,090	36,393
Textiles, apparel, and footwear:						
Women's, girls', and infants' shirts and blouses	76,152	45,092	31,060	91,156	55,398	35,758
Women's, girls', and infants' coats and jackets	36,079	23,674	12,405	31,842	21,049	10,793
Women's, girls', and infants' trousers, slacks, and shorts	74,258	51,132	23,126	88,869	62,051	26,818
Men's and boys' shirts	80,557	33,981	46,575	98,992	40,039	58,953
Men's and boys' coats and jackets	41,255	21,842	19,414	49,308	24,806	24,502
Men's and boys' trousers, slacks, and shorts	104,785	77,280	27,505	154,565	112,398	42,167
Body-supporting garments	148,798	97,376	51,422	177,422	116,758	60,664
Gloves	26,257	15,590	10,667	29,865	17,186	12,680
Footwear	93,220	55,169	38,051	142,450	70,365	72,085
All other articles	245,067	166,740	78,327	307,883	203,279	104,604
Total	926,428	587,874	338,554	1,172,353	723,329	449,023
Chemicals, coal, petroleum, natural gas, and related products:						
Fabricated rubber and plastic products ..	12,811	8,976	3,836	22,446	14,736	7,710
All other articles	13,236	4,319	8,916	124,594	21,674	102,919
Total	26,047	13,295	12,752	147,040	36,410	110,629
Minerals and metals:						
Metallic containers	2,568	771	1,797	8,445	2,232	6,213
Locks and padlocks	27,555	20,999	6,556	27,076	18,883	8,193
Handtools	2,636	2,071	565	6,240	4,014	2,226
Structures of base metal	4,661	879	3,782	81,917	34,070	47,847
Nonelectric heating and cooking apparatus other than cast iron stoves	11,472	2,681	8,792	10,822	1,949	8,874
Miscellaneous metal products and articles	19,677	5,358	14,320	31,593	10,249	21,345
All other articles	28,406	6,553	21,853	29,799	6,868	22,932
Total	96,977	39,312	57,665	195,893	78,264	117,629

Note.—Because of rounding, figures may not add to the totals shown.

Table B-18—Continued

U.S. Imports for consumption under TSUS item 807.00, by commodity groups, 1984-87

Commodity group	(In thousands of dollars)					
	1984			1985		
	Total value	Duty-free value	Dutiable value	Total value	Duty-free value	Dutiable value
Machinery and equipment:						
Steam engines, turbines, and boilers; and gas generators and parts thereof	10,814	1,410	9,404	11,693	3,111	8,582
Internal combustion engines, piston-type, and parts thereof	793,051	207,643	585,408	948,454	252,464	695,990
Internal combustion engines, non-piston type, and parts thereof	15,810	6,303	9,507	13,426	6,558	6,868
Pumps for liquids and parts thereof	27,027	5,907	21,120	27,794	8,236	19,558
Fans and blowers and parts thereof; and air pumps, vacuum pumps, and parts thereof	34,872	18,457	16,415	50,063	26,011	24,052
Compressors and parts thereof	63,228	14,979	48,249	66,560	12,082	54,478
Air-conditioning machines and parts thereof	22,971	7,828	15,143	24,973	10,763	14,210
Furnace burners and non-electric industrial furnaces and ovens and parts thereof; and refrigerators and refrigeration equipment, and parts thereof	19,220	7,103	12,117	21,457	5,413	16,044
Centrifuges and filtering and purifying machinery and parts thereof	13,490	3,475	10,015	14,199	4,198	10,001
Wrapping and packaging machinery, machinery for cleaning or drying containers, machinery for aerating beverages, dishwashing machines, and parts thereof	9,656	5,789	3,867	12,235	5,108	7,127
Mechanical shovels, coal-cutters, excavators, scrapers, bulldozers, and excavating, levelling, boring, and extracting machinery other than elevators, winches, cranes, and related machinery and parts thereof	198,779	71,487	127,292	215,755	71,905	143,850
Lifting, handling, loading, unloading machinery and parts thereof	69,795	16,029	53,766	112,049	36,746	75,303
Pulp and paper machinery; and bookbinding and printing machinery	26,087	4,301	21,786	32,721	4,365	28,357
Sewing machines and parts thereof including furniture specially designed for such machines	38,982	550	38,432	30,566	1,624	28,943
Machines for working metal, stone and other materials	145,494	40,227	105,267	242,746	37,179	205,567
Office machines and parts thereof	1,841,324	371,246	1,470,078	1,804,289	416,490	1,387,800
Automatic vending machines and parts thereof	4,904	1,432	3,471	5,468	1,299	4,169
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases or solids	44,716	32,182	12,534	44,724	30,976	13,748
Gear boxes and other speed changers with fixed, multiple, or variable ratios; pulleys and sheaves; shaft couplings; torque converters; chain sprockets; clutches; and universal joints; and parts thereof	12,846	4,691	8,155	9,035	3,119	5,916

Note.—Because of rounding, figures may not add to the totals shown.

Table B-18—Continued

U.S. Imports for consumption under TSUS Item 807.00, by commodity groups, 1984-87

Commodity group	(In thousands of dollars)					
	1984			1985		
	Total value	Duty-free value	Dutiable value	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued:						
Other miscellaneous machinery and mechanical equipment and parts thereof	163,389	51,445	111,944	143,078	36,968	106,110
Transformers	33,587	14,719	18,868	41,139	15,718	25,420
Motors and generators; and miscellaneous equipment related to motors, generators, and transformers	431,644	192,841	238,803	363,677	186,381	177,296
Portable electric hand tools	11,150	2,311	8,839	8,086	1,296	6,790
Electric household appliances	153,696	41,159	112,536	160,790	45,807	114,984
Electric furnaces and ovens, welding, brazing, induction and dielectric heating equipment	13,483	4,882	8,601	12,980	6,568	6,411
Telephone and telegraph apparatus; and radio navigational, radar, and radio remote control apparatus and parts thereof	115,811	25,313	90,499	167,439	52,656	114,783
Microphones, loudspeakers, and related equipment	44,273	8,697	35,576	33,533	8,723	24,810
Television receivers	151,035	12,285	138,750	277,569	29,550	248,019
Television apparatus and parts, other than cameras, receivers, and picture tubes	896,445	230,816	665,629	383,028	89,093	293,935
Radio receivers and transceivers and parts thereof	445,909	135,650	310,259	512,364	160,407	351,957
Record players, phonographs, record changers, and turntables, and parts thereof	13,500	6,169	7,331	9,466	5,623	3,843
Tape recorders, tape players, and dictation machines	230,881	71,292	159,590	429,764	133,673	296,092
Miscellaneous radiotelegraphic and radiotelephonic apparatus	33,000	571	32,429	13,710	296	13,414
Other miscellaneous electrical products and parts	237,683	113,422	124,261	273,087	125,933	147,154
Electrical capacitors	161,934	91,542	70,392	116,642	72,556	44,086
Articles for making and breaking electrical circuits	381,940	239,788	142,152	390,595	253,898	136,697
Voltage regulators	2,434	1,166	1,268	2,569	1,460	1,110
Electrical resistors	109,144	61,606	47,538	85,237	46,754	38,483
Electric lamps	40,526	20,872	19,653	28,084	16,416	11,668
Electronic tubes (except X-ray)	34,295	14,307	19,988	45,061	15,428	29,632
Semiconductors	4,591,597	2,796,711	1,794,887	1,242,746	733,037	509,709
Electrical conductors	514,663	327,085	187,578	703,346	421,161	282,186
Miscellaneous electrical articles	143,733	57,424	86,308	114,663	51,061	63,602
Rail locomotives and rolling stock	270,991	111,577	159,414	175,081	63,521	111,560
Motor vehicles including automobile trucks and truck tractors, motor buses, passenger automobiles, special purpose motor vehicles, and snowmobiles	12,775,338	199,933	12,575,405	17,127,522	501,710	16,625,811

Note.—Because of rounding, figures may not add to the totals shown.

Table B-18—Continued

U.S. Imports for consumption under TSUS Item 807.00, by commodity groups, 1984-87

Commodity group	(In thousands of dollars)					
	1984			1985		
	Total value	Duty-free value	Dutiable value	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued:						
Motor-vehicle parts, industrial vehicles, non self-propelled vehicles, and motor-cycles	675,406	189,989	485,417	886,708	219,422	667,287
Nonmilitary airplanes (all types); parts of aircraft and spacecraft; and parachutes, including parts	87,425	23,183	64,242	78,451	22,400	56,051
Pleasure boats; floating structures	110,688	25,102	85,586	123,589	26,752	96,836
All other articles	17	1	16	0	0	0
Total	26,268,681	5,892,896	20,375,785	27,638,213	4,281,912	23,356,301
Miscellaneous manufactures:						
Handbags	5,425	4,209	1,216	2,493	1,773	721
Luggage	21,888	12,974	8,915	23,087	13,644	9,443
Flat goods	3,434	1,785	1,649	3,992	2,283	1,709
Optical instruments, components and lenses	32,121	19,363	12,759	75,451	28,524	46,927
Surgical and medical instruments and apparatus	77,545	38,691	38,854	115,597	56,880	58,717
Scientific instruments	136,597	70,832	65,765	147,597	76,368	71,229
Balancing machines, and parts, and other drawing, measuring, and mathematical calculating instruments, and machines, n.s.p.f.	62,115	21,120	40,995	48,618	21,447	27,171
Watches, clocks, and clockwork operated devices (including time clocks and time stamps) and parts	39,613	5,481	34,132	52,880	8,651	44,229
Photographic equipment and supplies	17,175	6,928	10,247	22,011	9,187	12,825
Magnetic recording media not having any material recorded thereon	17,215	8,775	8,440	17,598	7,409	10,189
Musical instruments, parts and accessories	9,971	5,351	4,619	7,582	4,442	3,139
Furniture, mattresses, and pillows, cushions, and similar furnishings	68,205	14,771	53,434	101,709	17,538	84,171
Small arms (bore diameter 30mm and under)	4,223	131	4,093	6,779	685	6,094
Ammunition and munitions	649	116	533	785	103	682
Game machines, except coin or disc operated	48,210	5,322	42,888	3,626	317	3,309
Fishing tackle	2,285	1,071	1,214	1,759	698	1,061
Baseball and softball equipment	36,944	24,763	12,181	32,178	20,702	11,476
Dolls and stuffed toy figures of animate objects	30,899	4,310	26,589	46,384	2,893	43,492
Toys (except games), models, tricks, and party favors	29,598	12,923	16,675	44,260	19,292	24,968
Jewelry	20,255	18,932	1,323	32,913	30,789	2,124
All other articles	23,145	6,952	16,193	23,383	7,248	16,135
Total	687,513	284,800	402,713	810,682	330,871	479,811
Grand total	28,122,419	6,901,232	21,221,187	30,115,411	5,549,719	24,565,691

Note.—Because of rounding, figures may not add to the totals shown.

Table B-18—Continued

U.S. Imports for consumption under TSUS Item 807.00, by commodity groups, 1984-87

(In thousands of dollars)						
Commodity group	1986			1987		
	Total value	Duty-free value	Dutiable value	Total value	Duty-free value	Dutiable value
Agricultural, animal, and vegetable products:						
Mushrooms and truffles	15,380	1,265	14,114	12,972	928	12,044
All other articles	4,588	183	4,405	6,510	605	5,904
Total	19,967	1,448	18,519	19,481	1,533	17,948
Forest products:						
Industrial papers, packaging and miscellaneous papers	121,395	96,369	25,025	142,470	115,381	27,090
All other articles	30,083	4,107	25,976	40,373	7,431	32,942
Total	151,478	100,477	51,002	182,843	122,812	60,032
Textiles, apparel, and footwear:						
Women's, girls', and infants' shirts and blouses	120,118	67,234	52,884	164,660	93,722	70,938
Women's, girls', and infants' coats and jackets	36,941	24,470	12,472	42,037	25,323	16,714
Women's, girls', and infants' trousers, slacks, and shorts	95,418	67,730	27,688	130,915	84,186	46,729
Men's and boys' shirts	114,927	55,648	59,279	149,010	76,683	72,327
Men's and boys' coats and jackets	50,848	30,863	19,985	60,762	35,593	25,169
Men's and boys' trousers, slacks, and shorts	228,429	164,656	63,773	296,828	211,435	85,393
Body-supporting garments	158,937	105,465	53,472	180,565	120,074	60,492
Gloves	25,710	14,652	11,058	29,905	16,978	12,927
Footwear	173,380	73,740	99,640	300,767	89,452	211,315
All other articles	428,893	301,803	127,090	485,987	311,302	174,685
Total:	1,433,601	906,262	527,339	1,841,437	1,064,748	776,688
Chemicals, coal, petroleum, natural gas, and related products:						
Fabricated rubber and plastic products ..	35,807	18,112	17,696	82,313	27,891	54,422
All other articles	30,201	22,949	7,252	21,738	13,940	7,799
Total	66,008	41,061	24,948	104,051	41,831	62,221
Minerals and metals:						
Metallic containers	7,913	1,550	6,364	8,446	5,136	3,310
Locks and padlocks	45,288	30,619	14,669	58,289	35,218	23,071
Handtools	9,653	6,670	2,983	10,982	8,271	2,711
Structures of base metal	86,099	31,942	54,158	11,277	2,556	8,721
Nonelectric heating and cooking apparatus other than cast iron stoves	20,228	3,475	16,753	24,441	5,882	18,559
Miscellaneous metal products and articles	44,630	18,683	25,946	134,681	27,822	106,860
All other articles	45,519	16,865	28,654	147,721	77,709	70,011
Total	259,331	109,804	149,527	395,837	162,595	233,242

Note.—Because of rounding, figures may not add to the totals shown.

Table B-18—Continued

U.S. Imports for consumption under TSUS Item 807.00, by commodity groups, 1984-87

Commodity group	(In thousands of dollars)					
	1986			1987		
	Total value	Duty-free value	Dutiable value	Total value	Duty-free value	Dutiable value
Machinery and equipment:						
Steam engines, turbines, and boilers; and gas generators and parts thereof	14,080	2,711	11,368	6,468	1,116	5,352
Internal combustion engines, piston-type, and parts thereof	1,049,605	233,845	815,760	2,382,814	324,271	2,058,543
Internal combustion engines, non-piston type, and parts thereof	27,387	10,232	17,156	731,587	155,244	576,343
Pumps for liquids and parts thereof	22,132	7,204	14,928	25,762	13,741	12,021
Fans and blowers and parts thereof; and air pumps, vacuum pumps, and parts thereof	56,188	30,339	25,849	80,696	51,709	28,988
Compressors and parts thereof	87,235	8,939	78,296	94,897	19,281	75,616
Air-conditioning machines and parts thereof	38,154	16,774	21,379	89,309	31,190	58,119
Furnace burners and non-electric industrial furnaces and ovens and parts thereof; and refrigerators and refrigeration equipment, and parts thereof	22,918	5,944	16,974	17,826	5,432	12,394
Centrifuges and filtering and purifying machinery and parts thereof	15,101	4,287	10,814	30,723	7,943	22,780
Wrapping and packaging machinery, machinery for cleaning or drying containers, machinery for aerating beverages, dishwashing machines, and parts thereof	20,626	4,428	16,197	12,583	993	11,591
Mechanical shovels, coal-cutters, excavators, scrapers, bulldozers, and excavating, levelling, boring, and extracting machinery other than elevators, winches, cranes, and related machinery and parts thereof	208,335	58,649	149,686	281,680	65,866	215,814
Lifting, handling, loading, unloading machinery and parts thereof	125,873	49,410	76,464	136,041	43,416	92,626
Pulp and paper machinery; and bookbinding and printing machinery	40,207	9,685	30,522	38,744	6,876	31,868
Sewing machines and parts thereof including furniture specially designed for such machines	27,566	2,155	25,411	32,882	2,177	30,705
Machines for working metal, stone, and other materials	365,579	55,378	310,200	187,619	39,238	148,382
Office machines and parts thereof	624,590	148,243	476,347	2,237,276	493,910	1,743,366
Automatic vending machines and parts thereof	3,844	1,309	2,535	5,135	1,546	3,589
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases or solids	61,755	43,749	18,006	80,300	45,173	35,127
Gear boxes and other speed changers with fixed, multiple, or variable ratios; pulleys and sheaves; shaft couplings; torque converters; chain sprockets; clutches; and universal joints; and parts thereof	4,313	1,367	2,946	4,934	2,472	2,462

Note.—Because of rounding, figures may not add to the totals shown.

Table B-18—Continued

U.S. Imports for consumption under TSUS Item 807.00, by commodity groups, 1984-87

Commodity group	(In thousands of dollars)					
	1986			1987		
	Total value	Duty-free value	Dutiable value	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued						
Other miscellaneous machinery and mechanical equipment and parts thereof	150,361	34,627	115,735	314,746	64,968	249,778
Transformers	45,342	18,508	26,835	45,487	19,406	26,081
Motors and generators; and miscellaneous equipment related to motors, generators, and transformers	448,941	219,893	229,048	556,800	271,793	285,007
Portable electric hand tools	13,579	3,900	9,678	24,252	7,232	17,020
Electric household appliances	179,308	56,229	123,079	206,175	80,765	125,409
Electric furnaces and ovens, welding, brazing, induction and dielectric heating equipment	32,708	13,789	18,919	27,448	15,390	12,058
Telephone and telegraph apparatus; and radio navigational, radar, and radio remote control apparatus and parts thereof	195,434	62,692	132,742	189,936	55,164	134,772
Microphones, loudspeakers, and related equipment	30,237	10,220	20,016	31,417	9,167	22,250
Television receivers	449,408	85,757	363,651	549,139	109,335	439,804
Television apparatus and parts, other than cameras, receivers, and picture tubes . .	478,762	118,687	360,075	533,169	119,267	413,901
Radio receivers and transceivers and parts thereof	448,829	142,538	306,291	348,129	110,367	237,761
Record players, phonographs, record changers, and turntables, and parts thereof	6,420	3,390	3,029	7,848	4,552	3,296
Tape recorders, tape players, and dictation machines	379,051	117,007	262,044	613,010	120,040	492,971
Miscellaneous radiotelegraphic and radiotelephonic apparatus	4,295	162	4,134	3,092	1,059	2,032
Other miscellaneous electrical products and parts	292,637	140,912	151,725	259,055	145,809	113,246
Electrical capacitors	153,406	100,760	52,646	183,922	126,699	57,223
Articles for making and breaking electrical circuits	455,617	291,020	164,597	588,921	354,805	234,117
Voltage regulators	2,958	1,748	1,209	3,950	2,647	1,303
Electrical resistors	70,912	44,491	26,421	68,979	43,094	25,885
Electric lamps	32,417	14,908	17,509	46,768	19,363	27,405
Electronic tubes (except X-ray)	72,821	23,522	49,300	61,508	20,545	40,963
Semiconductors	545,461	292,794	252,668	3,780,927	2,133,281	1,647,645
Electrical conductors	830,017	503,812	326,205	971,539	603,174	368,365
Miscellaneous electrical articles	137,678	63,277	74,401	186,625	88,482	98,143
Rail locomotives and rolling stock	332,202	125,105	207,097	458,316	172,531	285,786
Motor vehicles including automobile trucks and truck tractors, motor buses, passenger automobiles, special purpose motor vehicles, and snowmobiles	23,397,928	929,741	22,468,187	41,760,769	3,362,449	38,398,320

Note.—Because of rounding, figures may not add to the totals shown.

Table B-18—Continued

U.S. Imports for consumption under TSUS Item 807.00, by commodity groups, 1984-87

Commodity group	(In thousands of dollars)					
	1986			1987		
	Total value	Duty-free value	Dutiable value	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued						
Motor-vehicle parts, industrial vehicles, non self-propelled vehicles, and motor-cycles	892,818	219,726	673,092	3,415,005	655,506	2,759,499
Nonmilitary airplanes (all types); parts of aircraft and spacecraft; and parachutes, including parts	145,404	39,330	106,074	1,732,436	476,841	1,255,596
Pleasure boats; floating structures	160,847	35,510	125,337	206,679	59,440	147,238
All other articles	284	16	268	34	22	11
Total	33,201,567	4,408,716	28,792,851	63,653,357	10,564,786	53,088,571
Miscellaneous manufactures:						
Handbags	2,906	1,571	1,335	4,065	1,931	2,135
Luggage	29,131	12,999	16,133	33,380	17,849	15,531
Flat goods	4,316	2,483	1,832	2,941	1,338	1,603
Optical instruments, components and lenses	54,288	23,533	30,756	16,966	8,201	8,765
Surgical and medical instruments and apparatus	130,827	75,246	55,581	195,284	104,705	90,580
Scientific instruments	150,865	85,471	65,394	290,830	114,658	176,172
Balancing machines, and parts, and other drawing, measuring, and mathematical calculating instruments, and machines, n.s.p.f.	46,906	17,181	29,725	61,307	19,456	41,851
Watches, clocks, and clockwork operated devices (including time clocks and time stamps) and parts	54,328	15,786	38,542	79,342	24,537	54,805
Photographic equipment and supplies	70,578	29,085	41,493	79,753	37,933	41,820
Magnetic recording media not having any material recorded thereon	24,173	5,937	18,237	27,392	5,385	22,007
Musical instruments, parts and accessories	12,350	6,332	6,017	19,888	6,100	13,789
Furniture, mattresses, and pillows, cushions, and similar furnishings	160,932	36,151	124,781	421,868	116,855	305,013
Small arms (bore diameter 30mm and under)	6,808	181	6,627	3,825	71	3,754
Ammunition and munitions	709	105	604	1,103	125	978
Game machines, except coin or disc operated	12	4	8	1,288	37	1,250
Fishing tackle	2,142	845	1,297	2,462	1,104	1,358
Baseball and softball equipment	17,266	12,399	4,867	13,611	10,440	3,171
Dolls and stuffed toy figures of animate objects	6,660	464	6,196	513	189	324
Toys (except games), models, tricks, and party favors	32,617	13,591	19,026	12,565	6,458	6,107
Jewelry	50,678	48,625	2,053	67,858	63,447	4,411
All other articles	40,956	16,329	24,627	61,799	28,111	33,688
Total	899,447	404,317	495,130	1,398,042	568,928	829,113
Grand total	36,031,399	5,972,084	30,059,315	67,595,048	12,527,233	55,067,815

Note.—Because of rounding, figures may not add to the totals shown.

Table B-19

U.S. Imports for consumption under TSUS Item 807.00, by principal sources, 1987

Source	Total value		Duty-free value	
	Value	Percent of total	Value	Percent of total
	Million dollars		Million dollars	
Grand total	67,595.1	100.0	12,527.2	100.0
Top 10 sources, total	62,682.7	92.7	10,718.1	85.6
Canada	21,001.5	31.1	3,782.5	30.2
Japan	14,706.3	21.8	379.1	3.0
Mexico	8,576.4	12.7	4,417.2	35.3
West Germany	7,978.3	11.8	126.2	1.0
Korea	2,676.1	4.0	391.2	3.1
United Kingdom	1,864.8	2.8	267.1	2.1
France	1,708.7	2.5	259.8	2.1
Singapore	1,697.9	2.5	386.5	3.1
Sweden	1,397.5	2.1	86.5	.7
Malaysia	1,075.2	1.6	622.0	5.0
All other	4,912.4	7.3	1,809.1	14.4

Note.—Because of rounding, figures may not add to the totals shown.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table B-20

U.S. Imports for consumption from Canada under TSUS Item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Agricultural, animal, and vegetable products:			
Mushrooms and truffles	0	0	0
All other articles	6,396	547	5,849
Total	6,396	547	5,849
Forest products:			
Industrial papers, packaging and miscellaneous papers	232	140	92
All other articles	35,372	4,943	30,429
Total	35,603	5,083	30,521
Textiles, apparel, and footwear:			
Women's, girls', and infants' shirts and blouses ...	264	89	174
Women's, girls', and infants' coats and jackets	996	232	765
Women's, girls', and infants' trousers, slacks, and shorts	247	146	101
Men's and boys' shirts	29	22	7
Men's and boys' coats and jackets	35	22	13
Men's and boys' trousers, slacks, and shorts	0	0	0
Body-supporting garments	612	267	346
Gloves	0	0	0
Footwear	44	3	41
All other articles	28,324	8,304	20,020
Total	30,552	9,085	21,467
Chemicals, coal, petroleum, natural gas, and related products:			
Fabricated rubber and plastic products	10,800	2,265	8,535
All other articles	7,095	2,220	4,876
Total	17,896	4,484	13,411
Minerals and metals:			
Metallic containers	3,300	393	2,907
Locks and padlocks	4,955	415	4,540
Handtools	84	16	67
Structures of base metal	10,827	2,281	8,546
Nonelectric heating and cooking apparatus other than cast iron stoves	20,404	3,342	17,062
Miscellaneous metal products and articles	103,517	6,016	97,500
All other articles	32,188	7,657	24,531
Total	175,274	20,120	155,154
Machinery and equipment:			
Steam engines, turbines, and boilers; and gas generators and parts thereof	6,247	1,048	5,199
Internal combustion engines, piston-type, and parts thereof	1,127,810	36,140	1,091,670
Internal combustion engines, non-piston-type, and parts thereof	162,586	23,340	139,246
Pumps for liquids and parts thereof	10,542	3,129	7,413
Fans and blowers and parts thereof; and air pumps, vacuum pumps, and parts thereof	20,892	6,981	13,911
Compressors and parts thereof	25,382	12,469	12,913

Note.—Because of rounding, figures may not add to the totals shown.

Table B-20—Continued

U.S. Imports for consumption from Canada under TSUS Item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Air-conditioning machines and parts thereof	13,168	2,433	10,735
Furnace burners and non-electric industrial furnaces and ovens and parts thereof; and refrigerators and refrigeration equipment, and parts thereof	7,467	1,214	6,253
Centrifuges and filtering and purifying machinery and parts thereof	22,797	4,263	18,535
Wrapping and packaging machinery, machinery for cleaning or drying containers, machinery for aerating beverages, dishwashing machines, and parts thereof	6,666	914	5,751
Mechanical shovels, coal-cutters, excavators, scrapers, bulldozers, and excavating, levelling, boring, and extracting machinery other than elevators, winches, cranes, and related machin- ery and parts thereof	162,991	56,810	106,181
Lifting, handling, loading, unloading machinery and parts thereof	32,036	4,986	27,050
Pulp and paper machinery; and bookbinding and printing machinery	14,437	788	13,649
Sewing machines and parts thereof including furniture specially designed for such machines	15	3	13
Machines for working metal, stone, and other materials	43,368	6,478	36,891
Office machines and parts thereof	436,856	157,525	279,331
Automatic vending machines and parts thereof	5,135	1,546	3,589
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases or solids	34,965	7,327	27,638
Gear boxes and other speed changers with fixed, multiple, or variable ratios; pulleys and sheaves; shaft couplings; torque converters; chain sprockets; clutches; and universal joints; and parts thereof	421	203	218
Other miscellaneous machinery and mechanical equipment and parts thereof	233,304	39,125	194,179
Transformers	12,384	1,283	11,102
Motors and generators; and miscellaneous equipment related to motors, generators, and transformers	35,407	4,459	30,948
Portable electric handtools	7,774	2,093	5,681
Electric household appliances	16,162	3,019	13,143
Electric furnaces and ovens, welding, brazing, induction and dielectric heating equipment	24,481	14,396	10,084
Telephone and telegraph apparatus; and radio navigational, radar, and radio remote control apparatus and parts thereof	53,768	6,596	47,172
Microphones, loudspeakers, and related equipment	3,941	380	3,561
Television receivers	35,429	2,353	33,076
Television apparatus and parts, other than cameras, receivers, and picture tubes	8,838	862	7,976
Radio receivers and transceivers and parts thereof	65,739	13,864	51,875
Record players, phonographs, record changers, and turntables, and parts thereof	132	4	128
Tape recorders, tape players, and dictation machines	60,588	2,057	58,531
Miscellaneous radiotelegraphic and radiotelephonic apparatus	2,490	1,032	1,458
Other miscellaneous electrical products and parts	24,398	5,270	19,129
Electrical capacitors	0	0	0
Articles for making and breaking electrical circuits	66,765	14,203	52,563
Voltage regulators	4	1	3
Electrical resistors	81	5	77
Electric lamps	13,725	2,183	11,542
Electronic tubes (except X-ray)	14,219	2,573	11,646

Note.—Because of rounding, figures may not add to the totals shown.

Table B-20—Continued

U.S. Imports for consumption from Canada under TSUS Item 807.00, by commodity groups, 1987

(In thousands of dollars)			
Source	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Semiconductors	425,050	252,400	172,650
Electrical conductors	18,007	9,701	8,306
Miscellaneous electrical articles	13,668	4,037	9,631
Rail locomotives and rolling stock	182,495	72,561	109,934
Motor vehicles including automobile trucks and truck tractors, motor buses, passenger automobiles, special-purpose motor vehicles, and snowmobiles	14,292,938	2,318,747	11,974,190
Motor-vehicle parts, industrial vehicles, non self-propelled vehicles, and motorcycles	2,316,525	429,771	1,886,754
Nonmilitary airplanes (all types); parts of aircraft and spacecraft; and parachutes, including parts	239,984	109,992	129,992
Pleasure boats; floating structures	29,970	5,157	24,813
All other articles	34	22	11
Total	20,332,083	3,645,742	16,686,341
Miscellaneous manufactures:			
Handbags	63	31	32
Luggage	1,649	39	1,610
Flat goods	0	0	0
Optical instruments, components and lenses	10,869	5,519	5,350
Surgical and medical instruments and apparatus	12,499	3,131	9,368
Scientific instruments	107,761	15,263	92,498
Balancing machines, and parts, and other drawing, measuring, and mathematical calculating instruments, and machines, n.s.p.f.	8,188	1,467	6,721
Watches, clocks, and clockwork operated devices (including time clocks and time stamps) and parts	260	66	194
Photographic equipment and supplies	660	170	490
Magnetic recording media not having any material recorded thereon	0	0	0
Musical instruments, parts and accessories	868	67	801
Furniture, mattresses, and pillows, cushions, and similar furnishings	252,382	70,230	182,152
Small arms (bore diameter 30mm and under)	10	8	1
Ammunition and munitions	656	79	576
Game machines, except coin or disc operated	0	0	0
Fishing tackle	15	3	12
Baseball and softball equipment	0	0	0
Dolls and stuffed toy figures of animate objects	0	0	0
Toys (except games), models, tricks, and party favors	90	16	74
Jewelry	61	5	56
All other articles	7,635	1,329	6,306
Total	403,665	97,424	306,241
Grand total	21,001,469	3,782,485	17,218,983

Note.—Because of rounding, figures may not add to the totals shown.

Table B-21

U.S. Imports for consumption from Japan under TSUS Item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Agricultural, animal, and vegetable products:			
Mushrooms and truffles	0	0	0
All other articles	4	1	3
Total	4	1	3
Forest products:			
Industrial papers, packaging and miscellaneous papers	122	115	7
All other articles	7	7	(¹)
Total	129	122	7
Textiles, apparel, and footwear:			
Women's, girls', and infants' shirts and blouses ...	171	11	160
Women's, girls', and infants' coats and jackets ...	0	0	0
Women's, girls', and infants' trousers, slacks, and shorts	94	15	79
Men's and boys' shirts	0	0	0
Men's and boys' coats and jackets	0	0	0
Men's and boys' trousers, slacks, and shorts	38	6	32
Body-supporting garments	41	28	13
Gloves	0	0	0
Footwear	13	1	13
All other articles	51	29	22
Total	408	90	319
Chemicals, coal, petroleum, natural gas, and related products:			
Fabricated rubber and plastic products	111	17	93
All other articles	0	0	0
Total	111	17	93
Minerals and metals:			
Metallic containers	0	0	0
Locks and padlocks	0	0	0
Handtools	103	8	94
Structures of base metal	19	5	15
Nonelectric heating and cooking apparatus other than cast iron stoves	0	0	0
Miscellaneous metal products and articles	542	127	415
All other articles	100	80	20
Total	764	220	544
Machinery and equipment:			
Steam engines, turbines, and boilers; and gas generators and parts thereof	0	0	0
Internal combustion engines, piston-type, and parts thereof	27,174	2,874	24,301
Internal combustion engines, non-piston type, and parts thereof	101	44	57
Pumps for liquids and parts thereof	25	(¹)	25
Fans and blowers and parts thereof; and air pumps, vacuum pumps, and parts thereof	54	1	53
Compressors and parts thereof	60,768	1,074	59,694

¹ Less than \$500.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-21—Continued

U.S. Imports for consumption from Japan under TSUS Item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Air-conditioning machines and parts thereof	609	55	554
Furnace burners and non-electric industrial furnaces and ovens and parts thereof; and refrigerators and refrigeration equipment, and parts thereof	5,768	2,986	2,782
Centrifuges and filtering and purifying machinery and parts thereof	0	0	0
Wrapping and packaging machinery, machinery for cleaning or drying containers, machinery for aerating beverages, dishwashing machines, and parts thereof	0	0	0
Mechanical shovels, coal-cutters, excavators, scrapers, bulldozers, and excavating, levelling, boring, and extracting machinery other than elevators, winches, cranes, and related machinery and parts thereof	78,547	6,511	72,036
Lifting, handling, loading, unloading machinery and parts thereof	14,536	1,767	12,770
Pulp and paper machinery; and bookbinding and printing machinery	0	0	0
Sewing machines and parts thereof including furniture specially designed for such machines	0	0	0
Machines for working metal, stone, and other materials	71,630	7,004	64,626
Office machines and parts thereof	39,403	8,791	30,612
Automatic vending machines and parts thereof	0	0	0
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases or solids	14	1	14
Gear boxes and other speed changers with fixed, multiple, or variable ratios; pulleys and sheaves; shaft couplings; torque converters; chain sprockets; clutches; and universal joints; and parts thereof	0	0	0
Other miscellaneous machinery and mechanical equipment and parts thereof	15,838	1,137	14,701
Transformers	480	59	420
Motors and generators; and miscellaneous equipment related to motors, generators, and transformers	263	72	191
Portable electric hand tools	0	0	0
Electric household appliances	379	21	358
Electric furnaces and ovens, welding, brazing, induction and dielectric heating equipment	841	9	833
Telephone and telegraph apparatus; and radio navigational, radar, and radio remote control apparatus and parts thereof	143	73	70
Microphones, loudspeakers, and related equipment	44	1	43
Television receivers	13,382	739	12,643
Television apparatus and parts, other than cameras, receivers, and picture tubes	12,554	737	11,817
Radio receivers and transceivers and parts thereof	22	4	18
Record players, phonographs, record changers, and turntables, and parts thereof	192	38	154
Tape recorders, tape players, and dictation machines	90,291	1,394	88,898
Miscellaneous radiotelegraphic and radiotelephonic apparatus	442	10	432
Other miscellaneous electrical products and parts ..	25	6	19
Electrical capacitors	0	0	0
Articles for making and breaking electrical circuits	6,278	3,546	2,732
Voltage regulators	3	1	3
Electrical resistors	29	28	1
Electric lamps	43	26	18
Electronic tubes (except X-ray)	998	36	962

Note.—Because of rounding, figures may not add to the totals shown.

Table B-21—Continued

U.S. Imports for consumption from Japan under TSUS Item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Semiconductors	19,371	10,646	8,725
Electrical conductors	1,416	202	1,213
Miscellaneous electrical articles	13,079	4,186	8,893
Rail locomotives and rolling stock	115,400	55,192	60,208
Motor vehicles including automobile trucks and truck tractors, motor buses, passenger automobiles, special purpose motor vehicles, and snowmobiles	13,823,797	243,982	13,579,816
Motor vehicle parts, industrial vehicles, non self-propelled vehicles, and motorcycles	174,254	3,668	170,586
Nonmilitary airplanes (all types); parts of aircraft and spacecraft; and parachutes, including parts	16,088	3,084	13,004
Pleasure boats; floating structures	25,565	9,609	15,956
All other articles	0	0	0
Total	14,629,848	369,611	14,260,237
Miscellaneous manufactures:			
Handbags	0	0	0
Luggage	0	0	0
Flat goods	0	0	0
Optical instruments, components and lenses	308	110	198
Surgical and medical instruments and apparatus	10,435	3,079	7,356
Scientific instruments	24,875	2,374	22,501
Balancing machines, and parts, and other drawing, measuring, and mathematical calculating instruments, and machines, n.s.p.f.	10,131	1,088	9,043
Watches, clocks, and clockwork operated devices (including time clocks and time stamps) and parts	283	132	151
Photographic equipment and supplies	9,803	516	9,287
Magnetic recording media not having any material recorded thereon	4,763	65	4,698
Musical instruments, parts and accessories	8,329	964	7,365
Furniture, mattresses, and pillows, cushions, and similar furnishings	0	0	0
Small arms (bore diameter 30mm and under)	3,811	59	3,753
Ammunition and munitions	0	0	0
Game machines, except coin or disc operated	0	0	0
Fishing tackle	4	(¹)	3
Baseball and softball equipment	0	0	0
Dolls and stuffed toy figures of animate objects	0	0	0
Toys (except games), models, tricks, and party favors	348	214	134
Jewelry	411	293	117
All other articles	1,501	182	1,319
Total	75,001	9,075	65,925
Grand total	14,706,265	379,137	14,327,128

¹ Less than \$500.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-22

U.S. Imports for consumption from Mexico under TSUS item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Agricultural, animal, and vegetable products:			
Mushrooms and truffles	0	0	0
All other articles	5	5	(¹)
Total	5	5	(¹)
Forest products:			
Industrial papers, packaging and miscellaneous papers	141,980	115,037	26,943
All other articles	4,757	2,415	2,341
Total	146,736	117,452	29,284
Textiles, apparel, and footwear:			
Women's, girls', and infants' shirts and blouses	37,455	22,276	15,180
Women's, girls', and infants' coats and jackets	9,780	7,021	2,759
Women's, girls', and infants' trousers, slacks, and shorts	39,696	28,370	11,326
Men's and boys' shirts	17,315	12,626	4,689
Men's and boys' coats and jackets	18,429	13,330	5,099
Men's and boys' trousers, slacks, and shorts	95,361	70,257	25,104
Body-supporting garments	26,979	21,722	5,258
Gloves	8,405	7,139	1,266
Footwear	78,391	63,533	14,858
All other articles	178,013	133,432	44,581
Total	509,825	379,706	130,119
Chemicals, coal, petroleum, natural gas, and related products:			
Fabricated rubber and plastic products	54,636	22,197	32,439
All other articles	12,208	10,697	1,511
Total	66,844	32,894	33,950
Minerals and metals:			
Metallic containers	1,048	991	57
Locks and padlocks	53,128	34,707	18,422
Handtools	8,196	6,605	1,591
Structures of base metal	431	271	160
Nonelectric heating and cooking apparatus other than cast iron stoves	4,020	2,540	1,480
Miscellaneous metal products and articles	22,376	17,977	4,399
All other articles	91,962	58,088	33,873
Total	181,161	121,178	59,982
Machinery and equipment:			
Steam engines, turbines, and boilers; and gas generators and parts thereof	0	0	0
Internal combustion engines, piston-type, and parts thereof	666,469	220,202	446,266
Internal combustion engines, non-piston type, and parts thereof	14,280	13,186	1,094
Pumps for liquids and parts thereof	12,923	9,704	3,219
Fans and blowers and parts thereof; and air pumps, vacuum pumps, and parts thereof	53,414	43,191	10,223
Compressors and parts thereof	8,102	5,605	2,497

¹ Less than \$500.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-22—Continued

U.S. Imports for consumption from Mexico under TSUS Item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Air-conditioning machines and parts thereof	75,382	28,658	46,724
Furnace burners and non-electric industrial furnaces and ovens and parts thereof; and refrigerators and refrigeration equipment, and parts thereof	3,074	516	2,557
Centrifuges and filtering and purifying machinery and parts thereof	4,244	3,477	766
Wrapping and packaging machinery, machinery for cleaning or drying containers, machinery for aerating beverages, dishwashing machines, and parts thereof	0	0	0
Mechanical shovels, coal-cutters, excavators, scrapers, bulldozers, and excavating, levelling, boring, and extracting machinery other than elevators, winches, cranes, and related machinery and parts thereof	115	98	17
Lifting, handling, loading, unloading machinery and parts thereof	57,497	30,702	26,794
Pulp and paper machinery; and bookbinding and printing machinery	5,613	4,789	824
Sewing machines and parts thereof including furniture specially designed for such machines	0	0	0
Machines for working metal, stone, and other materials	27,436	21,001	6,435
Office machines and parts thereof	287,024	123,888	163,136
Automatic vending machines and parts thereof	0	0	0
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases or solids	44,864	37,789	7,076
Gear boxes and other speed changers with fixed, multiple, or variable ratios; pulleys and sheaves; shaft couplings; torque converters; chain sprockets; clutches; and universal joints; and parts thereof	2,461	1,869	592
Other miscellaneous machinery and mechanical equipment and parts thereof	22,805	17,741	5,064
Transformers	28,816	17,401	11,416
Motors and generators; and miscellaneous equipment related to motors, generators, and transformers	442,682	253,867	188,814
Portable electric hand tools	15,471	5,048	10,423
Electric household appliances	90,535	71,090	19,445
Electric furnaces and ovens, welding, brazing, induction and dielectric heating equipment	1,316	852	465
Telephone and telegraph apparatus; and radio navigational, radar, and radio remote control apparatus and parts thereof	85,722	41,332	44,390
Microphones, loudspeakers, and related equipment	15,400	5,709	9,691
Television receivers	494,132	104,258	389,874
Television apparatus and parts, other than cameras, receivers, and picture tubes	397,756	106,379	291,378
Radio receivers and transceivers and parts thereof	137,666	61,648	76,018
Record players, phonographs, record changers, and turntables, and parts thereof	7,186	4,258	2,928
Tape recorders, tape players, and dictation machines	390,459	110,196	280,263
Miscellaneous radiotelegraphic and radiotelephonic apparatus	161	18	143
Other miscellaneous electrical products and parts	157,513	113,019	44,494
Electrical capacitors	155,150	105,611	49,539
Articles for making and breaking electrical circuits	426,260	285,487	140,773
Voltage regulators	3,610	2,526	1,084
Electrical resistors	64,050	39,913	24,138
Electric lamps	23,869	15,681	8,189
Electronic tubes (except X-ray)	15,006	7,295	7,712

Note.—Because of rounding, figures may not add to the totals shown.

Table B-22—Continued

U.S. Imports for consumption from Mexico under TSUS item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Semiconductors	254,709	178,302	76,407
Electrical conductors	814,448	558,082	256,365
Miscellaneous electrical articles	84,494	52,301	32,193
Rail locomotives and rolling stock	0	0	0
Motor vehicles including automobile trucks and truck tractors, motor buses, passenger automobiles, special-purpose motor vehicles, and snowmobiles	1,481,853	576,275	905,579
Motor-vehicle parts, industrial vehicles, non self-propelled vehicles, and motorcycles	227,594	173,554	54,040
Nonmilitary airplanes (all types); parts of aircraft and spacecraft; and parachutes, including parts	5,040	2,498	2,543
Pleasure boats; floating structures	18,146	15,439	2,707
All other articles	0	0	0
Total	7,124,747	3,470,454	3,654,293
Miscellaneous manufactures:			
Handbags	1,610	1,141	469
Luggage	18,539	11,582	6,957
Fiat goods	597	424	173
Optical instruments, components and lenses	2,222	1,392	830
Surgical and medical instruments and apparatus	115,553	85,384	30,169
Scientific instruments	127,050	86,963	40,087
Balancing machines, and parts, and other drawing, measuring, and mathematical calculating instruments, and machines, n.s.p.f.	32,444	16,293	16,151
Watches, clocks, and clockwork operated devices (including time clocks and time stamps) and parts	3,241	2,863	378
Photographic equipment and supplies	142	105	38
Magnetic recording media not having any material recorded thereon	19,470	4,616	14,854
Musical instruments, parts and accessories	10,479	5,044	5,435
Furniture, mattresses, and pillows, cushions, and similar furnishings	167,739	46,336	121,403
Small arms (bore diameter 30mm and under)	4	4	(¹)
Ammunition and munitions	0	0	0
Game machines, except coin or disc operated	1,288	37	1,250
Fishing tackle	1,629	698	931
Baseball and softball equipment	0	0	0
Dolls and stuffed toy figures of animate objects	354	88	267
Toys (except games), models, tricks, and party favors	8,985	5,134	3,851
Jewelry	6,143	5,814	329
All other articles	29,565	21,628	7,937
Total	547,054	295,544	251,510
Grand total	8,576,372	4,417,234	4,159,138

¹ Less than \$500.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-23

U.S. Imports for consumption from West Germany under TSUS Item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Agricultural, animal, and vegetable products:			
Mushrooms and truffles	0	0	0
All other articles	0	0	0
Total	0	0	0
Forest products:			
Industrial papers, packaging and miscellaneous papers	0	0	0
All other articles	0	0	0
Total	0	0	0
Textiles, apparel, and footwear:			
Women's, girls', and infants' shirts and blouses	25	7	18
Women's, girls', and infants' coats and jackets	0	0	0
Women's, girls', and infants' trousers, slacks, and shorts	220	185	35
Men's and boys' shirts	0	0	0
Men's and boys' coats and jackets	82	3	80
Men's and boys' trousers, slacks, and shorts	121	100	20
Body-supporting garments	3	2	1
Gloves	0	0	0
Footwear	320	86	234
All other articles	204	119	85
Total	975	502	473
Chemicals, coal, petroleum, natural gas, and related products:			
Fabricated rubber and plastic products	0	0	0
All other articles	108	78	30
Total	108	78	30
Minerals and metals:			
Metallic containers	0	0	0
Locks and padlocks	0	0	0
Handtools	0	0	0
Structures of base metal	0	0	0
Nonelectric heating and cooking apparatus other than cast iron stoves	0	0	0
Miscellaneous metal products and articles	485	10	475
All other articles	24	7	17
Total	509	17	492
Machinery and equipment:			
Steam engines, turbines, and boilers; and gas generators and parts thereof	90	37	53
Internal combustion engines, piston-type, and parts thereof	366,583	34,158	332,425
Internal combustion engines, non-piston type, and parts thereof	392	2	391
Pumps for liquids and parts thereof	9	(¹)	8
Fans and blowers and parts thereof; and air pumps, vacuum pumps, and parts thereof	0	0	0
Compressors and parts thereof	0	0	0

¹ Less than \$500.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-23—Continued

U.S. Imports for consumption from West Germany under TSUS Item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Air-conditioning machines and parts thereof	0	0	0
Furnace burners and non-electric industrial furnaces and ovens and parts thereof; and refrigerators and refrigeration equipment, and parts thereof	280	143	136
Centrifuges and filtering and purifying machinery and parts thereof	128	2	126
Wrapping and packaging machinery, machinery for cleaning or drying containers, machinery for aerating beverages, dishwashing machines, and parts thereof	5,148	51	5,097
Mechanical shovels, coal-cutters, excavators, scrapers, bulldozers, and excavating, levelling, boring, and extracting machinery other than elevators, winches, cranes, and related machinery and parts thereof	2,564	245	2,319
Lifting, handling, loading, unloading machinery and parts thereof	478	129	349
Pulp and paper machinery; and bookbinding and printing machinery	12,853	102	12,751
Sewing machines and parts thereof including furniture specially designed for such machines	0	0	0
Machines for working metal, stone, and other materials	24,283	1,929	22,354
Office machines and parts thereof	21,355	5,981	15,374
Automatic vending machines and parts thereof	0	0	0
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases or solids	294	17	277
Gear boxes and other speed changers with fixed, multiple, or variable ratios; pulleys and sheaves; shaft couplings; torque converters; chain sprockets; clutches; and universal joints; and parts thereof	172	74	98
Other miscellaneous machinery and mechanical equipment and parts thereof	12,943	344	12,599
Transformers	0	0	0
Motors and generators; and miscellaneous equipment related to motors, generators, and transformers	6,402	1,161	5,241
Portable electric hand tools	0	0	0
Electric household appliances	3,104	324	2,780
Electric furnaces and ovens, welding, brazing, induction and dielectric heating equipment	0	0	0
Telephone and telegraph apparatus; and radio navigational, radar, and radio remote control apparatus and parts thereof	96	38	58
Microphones, loudspeakers, and related equipment	0	0	0
Television receivers	944	361	583
Television apparatus and parts, other than cameras, receivers, and picture tubes	1,192	455	737
Radio receivers and transceivers and parts thereof	17	6	11
Record players, phonographs, record changers, and turntables, and parts thereof	0	0	0
Tape recorders, tape players, and dictation machines	464	176	287
Miscellaneous radiotelegraphic and radiotelephonic apparatus	0	0	0
Other miscellaneous electrical products and parts	48	41	7
Electrical capacitors	2,172	1,132	1,040
Articles for making and breaking electrical circuits	155	15	140
Voltage regulators	0	0	0
Electrical resistors	0	0	0
Electric lamps	0	0	0
Electronic tubes (except X-ray)	14	7	7

Note.—Because of rounding, figures may not add to the totals shown.

Table B-23—Continued

U.S. Imports for consumption from West Germany under TSUS Item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Semiconductors	37	12	24
Electrical conductors	5	3	1
Miscellaneous electrical articles	0	0	0
Rail locomotives and rolling stock	11,964	3,351	8,614
Motor vehicles including automobile trucks and truck tractors, motor buses, passenger automobiles, special purpose motor vehicles, and snowmobiles	7,400,352	59,209	7,341,143
Motor vehicle parts, industrial vehicles, non-self-propelled vehicles, and motorcycles	24,647	70	24,577
Nonmilitary airplanes (all types); parts of aircraft and spacecraft; and parachutes, including parts	53,295	12,561	40,734
Pleasure boats; floating structures	0	0	0
All other articles	0	0	0
Total	7,952,478	122,137	7,830,341
Miscellaneous manufactures:			
Handbags	0	0	0
Luggage	0	0	0
Flat goods	0	0	0
Optical instruments, components and lenses	16	7	9
Surgical and medical instruments and apparatus	22,088	2,405	19,683
Scientific instruments	47	25	22
Balancing machines, and parts, and other drawing, measuring, and mathematical calculating instruments, and machines, n.s.p.f.	162	59	103
Watches, clocks, and clockwork operated devices (including time clocks and time stamps) and parts	71	4	66
Photographic equipment and supplies	0	0	0
Magnetic recording media not having any material recorded thereon	1,470	682	788
Musical instruments, parts and accessories	0	0	0
Furniture, mattresses, and pillows, cushions, and similar furnishings	39	2	37
Small arms (bore diameter 30mm and under)	0	0	0
Ammunition and munitions	0	0	0
Game machines, except coin or disc operated	0	0	0
Fishing tackle	0	0	0
Baseball and softball equipment	0	0	0
Dolls and stuffed toy figures of animate objects	0	0	0
Toys (except games), models, tricks, and party favors	0	0	0
Jewelry	341	324	17
All other articles	32	6	26
Total	24,266	3,515	20,751
Grand total	7,978,337	126,249	7,852,088

Note.—Because of rounding, figures may not add to the totals shown.

Table B-24

U.S. Imports for consumption from South Korea under TSUS Item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Agricultural, animal, and vegetable products:			
Mushrooms and truffles	0	0	0
All other articles	14	13	1
Total	14	13	1
Forest products:			
Industrial papers, packaging and miscellaneous papers	0	0	0
All other articles	1	1	(¹)
Total	1	1	(¹)
Textiles, apparel, and footwear:			
Women's, girls', and infants' shirts and blouses	315	16	298
Women's, girls', and infants' coats and jackets	1,225	68	1,157
Women's, girls', and infants' trousers, slacks, and shorts	589	5	584
Men's and boys' shirts	3,847	171	3,676
Men's and boys' coats and jackets	1,550	525	1,025
Men's and boys' trousers, slacks, and shorts	0	0	0
Body-supporting garments	31	20	11
Gloves	3	(¹)	3
Footwear	107,958	5,563	102,395
All other articles	2,220	206	2,014
Total	117,737	6,575	111,163
Chemicals, coal, petroleum, natural gas, and related products:			
Fabricated rubber and plastic products	94	70	24
All other articles	89	48	42
Total	183	117	66
Minerals and metals:			
Metallic containers	0	0	0
Locks and padlocks	0	0	0
Handtools	0	0	0
Structures of base metal	0	0	0
Nonelectric heating and cooking apparatus other than cast iron stoves	0	0	0
Miscellaneous metal products and articles	19	(¹)	19
All other articles	0	0	0
Total	19	(¹)	19
Machinery and equipment:			
Steam engines, turbines, and boilers; and gas generators and parts thereof	0	0	0
Internal combustion engines, piston-type, and parts thereof	0	0	0
Internal combustion engines, non-piston type, and parts thereof	152	101	51
Pumps for liquids and parts thereof	0	0	0
Fans and blowers and parts thereof; and air pumps, vacuum pumps, and parts thereof	0	0	0
Compressors and parts thereof	0	0	0

¹ Less than \$500.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-24—Continued

U.S. Imports for consumption from South Korea under TSUS Item 807.00, by commodity groups, 1987

(In thousands of dollars)			
Source	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Air-conditioning machines and parts thereof	0	0	0
Furnace burners and non-electric industrial furnaces and ovens and parts thereof; and refrigerators and refrigeration equipment, and parts thereof	1,134	544	591
Centrifuges and filtering and purifying machinery and parts thereof	0	0	0
Wrapping and packaging machinery, machinery for cleaning or drying containers, machinery for aerating beverages, dishwashing machines, and parts thereof	0	0	0
Mechanical shovels, coal-cutters, excavators, scrapers, bulldozers, and excavating, levelling, boring, and extracting machinery other than elevators, winches, cranes, and related machinery and parts thereof	0	0	0
Lifting, handling, loading, unloading machinery and parts thereof	5,862	2,811	3,051
Pulp and paper machinery; and bookbinding and printing machinery	0	0	0
Sewing machines and parts thereof including furniture specially designed for such machines	0	0	0
Machines for working metal, stone, and other materials	0	0	0
Office machines and parts thereof	46,451	10,549	35,902
Automatic vending machines and parts thereof	0	0	0
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases or solids	16	15	1
Gear boxes and other speed changers with fixed, multiple, or variable ratios; pulleys and sheaves; shaft couplings; torque converters; chain sprockets; clutches; and universal joints; and parts thereof	0	0	0
Other miscellaneous machinery and mechanical equipment and parts thereof	0	0	0
Transformers	0	0	0
Motors and generators; and miscellaneous equipment related to motors, generators, and transformers	1,859	740	1,119
Portable electric hand tools	0	0	0
Electric household appliances	0	0	0
Electric furnaces and ovens, welding, brazing, induction and dielectric heating equipment	0	0	0
Telephone and telegraph apparatus; and radio navigational, radar, and radio remote control apparatus and parts thereof	2,084	531	1,552
Microphones, loudspeakers, and related equipment	14	2	12
Television receivers	4,681	1,521	3,160
Television apparatus and parts, other than cameras, receivers, and picture tubes	0	0	0
Radio receivers and transceivers and parts thereof	1,444	320	1,124
Record players, phonographs, record changers, and turntables, and parts thereof	0	0	0
Tape recorders, tape players, and dictation machines	1,504	43	1,460
Miscellaneous radiotelegraphic and radiotelephonic apparatus	0	0	0
Other miscellaneous electrical products and parts	4,662	932	3,729
Electrical capacitors	0	0	0
Articles for making and breaking electrical circuits	804	473	331
Voltage regulators	0	0	0
Electrical resistors	151	111	40
Electric lamps	0	0	0
Electronic tubes (except X-ray)	86	26	60

Note.—Because of rounding, figures may not add to the totals shown.

Table B-24—Continued

U.S. Imports for consumption from South Korea under TSUS Item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Semiconductors	474,688	282,953	191,735
Electrical conductors	0	0	0
Miscellaneous electrical articles	14,780	5,878	8,902
Rail locomotives and rolling stock	0	0	0
Motor vehicles including automobile trucks and truck tractors, motor buses, passenger automobiles, special purpose motor vehicles, and snowmobiles	1,946,947	65,640	1,881,308
Motor vehicle parts, industrial vehicles, non self-propelled vehicles, and motorcycles	23,842	6,230	17,612
Nonmilitary airplanes (all types); parts of aircraft and spacecraft; and parachutes, including parts	426	360	66
Pleasure boats; floating structures	0	0	0
All other articles	0	0	0
Total	2,531,587	379,780	2,151,807
Miscellaneous manufactures:			
Handbags	582	224	358
Luggage	811	5	805
Flat goods	16	12	5
Optical instruments, components and lenses	0	0	0
Surgical and medical instruments and apparatus	282	134	148
Scientific instruments	0	0	0
Balancing machines, and parts, and other drawing, measuring, and mathematical calculating instruments, and machines, n.s.p.f.	0	0	0
Watches, clocks, and clockwork operated devices (including time clocks and time stamps) and parts	20,935	3,549	17,386
Photographic equipment and supplies	47	28	19
Magnetic recording media not having any material recorded thereon	10	6	4
Musical instruments, parts and accessories	155	4	151
Furniture, mattresses, and pillows, cushions, and similar furnishings	0	0	0
Small arms (bore diameter 30mm and under)	0	0	0
Ammunition and munitions	0	0	0
Game machines, except coin or disc operated	0	0	0
Fishing tackle	0	0	0
Baseball and softball equipment	0	0	0
Dolls and stuffed toy figures of animate objects	0	0	0
Toys (except games), models, tricks, and party favors	24	13	12
Jewelry	0	0	0
All other articles	3,718	726	2,992
Total	26,580	4,700	21,880
Grand total	2,676,121	391,186	2,284,935

Note.—Because of rounding, figures may not add to the totals shown.

Table B-25

U.S. Imports for consumption from United Kingdom under TSUS Item 807.00, by commodity groups, 1987

(In thousands of dollars)			
Source	Total value	Duty-free value	Dutiable value
Agricultural, animal, and vegetable products:			
Mushrooms and truffles	0	0	0
All other articles	44	17	27
Total	44	17	27
Forest products:			
Industrial papers, packaging and miscellaneous papers	0	0	0
All other articles	60	43	17
Total	60	43	17
Textiles, apparel, and footwear:			
Women's, girls', and infants' shirts and blouses	20	14	6
Women's, girls', and infants' coats and jackets	22	1	21
Women's, girls', and infants' trousers, slacks, and shorts	9	6	3
Men's and boys' shirts	0	0	0
Men's and boys' coats and jackets	440	(¹)	440
Men's and boys' trousers, slacks, and shorts	0	0	0
Body-supporting garments	0	0	0
Gloves	0	0	0
Footwear	24	1	23
All other articles	379	160	219
Total	893	182	711
Chemicals, coal, petroleum, natural gas, and related products:			
Fabricated rubber and plastic products	276	89	187
All other articles	1,392	363	1,028
Total	1,668	452	1,215
Minerals and metals:			
Metallic containers	0	0	0
Locks and padlocks	0	0	0
Handtools	0	0	0
Structures of base metal	0	0	0
Nonelectric heating and cooking apparatus other than cast iron stoves	0	0	0
Miscellaneous metal products and articles	0	0	0
All other articles	114	7	107
Total	114	7	107
Machinery and equipment:			
Steam engines, turbines, and boilers; and gas generators and parts thereof	85	21	64
Internal combustion engines, piston-type, and parts thereof	16,640	4,171	12,469
Internal combustion engines, non-piston type, and parts thereof	189,360	5,680	183,680
Pumps for liquids and parts thereof	2,255	904	1,350
Fans and blowers and parts thereof; and air pumps, vacuum pumps, and parts thereof	5,985	1,343	4,642
Compressors and parts thereof	400	48	353

¹ Less than \$500.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-25—Continued

U.S. Imports for consumption from United Kingdom under TSUS item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Air-conditioning machines and parts thereof	0	0	0
Furnace burners and non-electric industrial furnaces and ovens and parts thereof; and refrigerators and refrigeration equipment, and parts thereof	0	0	0
Centrifuges and filtering and purifying machinery and parts thereof	0	0	0
Wrapping and packaging machinery, machinery for cleaning or drying containers, machinery for aerating beverages, dishwashing machines, and parts thereof	74	1	74
Mechanical shovels, coal-cutters, excavators, scrapers, bulldozers, and excavating, levelling, boring, and extracting machinery other than elevators, winches, cranes, and related machinery and parts thereof	649	3	646
Lifting, handling, loading, unloading machinery and parts thereof	203	16	187
Pulp and paper machinery; and bookbinding and printing machinery	541	16	525
Sewing machines and parts thereof including furniture specially designed for such machines	0	0	0
Machines for working metal, stone, and other materials	5,670	529	5,141
Office machines and parts thereof	23,443	2,433	21,010
Automatic vending machines and parts thereof	0	0	0
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases or solids	112	15	98
Gear boxes and other speed changers with fixed, multiple, or variable ratios; pulleys and sheaves; shaft couplings; torque converters; chain sprockets; clutches; and universal joints; and parts thereof	377	39	338
Other miscellaneous machinery and mechanical equipment and parts thereof	8,097	1,811	6,286
Transformers	0	0	0
Motors and generators; and miscellaneous equipment related to motors, generators, and transformers	3,178	482	2,695
Portable electric hand tools	0	0	0
Electric household appliances	116	22	94
Electric furnaces and ovens, welding, brazing, induction and dielectric heating equipment	711	64	647
Telephone and telegraph apparatus; and radio navigational, radar, and radio remote control apparatus and parts thereof	185	41	144
Microphones, loudspeakers, and related equipment	450	316	134
Television receivers	0	0	0
Television apparatus and parts, other than cameras, receivers, and picture tubes	0	0	0
Radio receivers and transceivers and parts thereof	754	32	722
Record players, phonographs, record changers, and turntables, and parts thereof	0	0	0
Tape recorders, tape players, and dictation machines	0	0	0
Miscellaneous radiotelegraphic and radiotelephonic apparatus	0	0	0
Other miscellaneous electrical products and parts	4,856	1,076	3,780
Electrical capacitors	190	94	96
Articles for making and breaking electrical circuits	399	302	96
Voltage regulators	0	0	0
Electrical resistors	0	0	0
Electric lamps	0	0	0
Electronic tubes (except X-ray)	0	0	0

Note.—Because of rounding, figures may not add to the totals shown.

Table B-25—Continued

U.S. Imports for consumption from United Kingdom under TSUS item 807.00, by commodity groups, 1987

(In thousands of dollars)			
Source	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Semiconductors	7,260	4,572	2,687
Electrical conductors	147	85	62
Miscellaneous electrical articles	1,738	323	1,415
Rail locomotives and rolling stock	0	0	0
Motor vehicles including automobile trucks and truck tractors, motor buses, passenger automobiles, special purpose motor vehicles, and snowmobiles	833,047	16,439	816,608
Motor-vehicle parts, industrial vehicles, non self-propelled vehicles, and motorcycles	117,970	9,126	108,843
Nonmilitary airplanes (all types); parts of aircraft and spacecraft; and parachutes, including parts	563,985	186,799	377,186
Pleasure boats; floating structures	258	11	248
All other articles	0	0	0
Total	1,789,137	236,817	1,552,320
Miscellaneous manufactures:			
Handbags	0	0	0
Luggage	15	15	(¹)
Flat goods	0	0	0
Optical instruments, components and lenses	470	139	331
Surgical and medical instruments and apparatus	18,816	7,211	11,605
Scientific instruments	17,127	4,728	12,399
Balancing machines, and parts, and other drawing, measuring, and mathematical calculating instruments, and machines, n.s.p.f.	294	51	243
Watches, clocks, and clockwork operated devices (including time clocks and time stamps) and parts	166	61	105
Photographic equipment and supplies	35,564	17,207	18,357
Magnetic recording media not having any material recorded thereon	0	0	0
Musical instruments, parts and accessories	0	0	0
Furniture, mattresses, and pillows, cushions, and similar furnishings	0	0	0
Small arms (bore diameter 30mm and under)	0	0	0
Ammunition and munitions	0	0	0
Game machines, except coin or disc operated	0	0	0
Fishing tackle	0	0	0
Baseball and softball equipment	0	0	0
Dolls and stuffed toy figures of animate objects	0	0	0
Toys (except games), models, tricks, and party favors	3	2	(¹)
Jewelry	0	0	0
All other articles	463	140	323
Total	72,918	29,555	43,363
Grand total	1,864,834	267,073	1,597,761

¹ Less than \$500.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-26

U.S. Imports for consumption from France under TSUS Item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Agricultural, animal, and vegetable products:			
Mushrooms and truffles	0	0	0
All other articles	21	20	1
Total	21	20	1
Forest products:			
Industrial papers, packaging and miscellaneous papers	0	0	0
All other articles	0	0	0
Total	0	0	0
Textiles, apparel, and footwear:			
Women's, girls', and infants' shirts and blouses	0	0	0
Women's, girls', and infants' coats and jackets	0	0	0
Women's, girls', and infants' trousers, slacks, and shorts	0	0	0
Men's and boys' shirts	0	0	0
Men's and boys' coats and jackets	2	1	1
Men's and boys' trousers, slacks, and shorts	1	(¹)	(¹)
Body-supporting garments	0	0	0
Gloves	0	0	0
Footwear	0	0	0
All other articles	838	270	568
Total	841	271	570
Chemicals, coal, petroleum, natural gas, and related products:			
Fabricated rubber and plastic products	277	104	173
All other articles	0	0	0
Total	277	104	173
Minerals and metals:			
Metallic containers	4,085	3,750	336
Locks and padlocks	0	0	0
Handtools	0	0	0
Structures of base metal	0	0	0
Nonelectric heating and cooking apparatus other than cast iron stoves	0	0	0
Miscellaneous metal products and articles	466	31	435
All other articles	5	2	3
Total	4,556	3,783	774
Machinery and equipment:			
Steam engines, turbines, and boilers; and gas generators and parts thereof	22	(¹)	22
Internal combustion engines, piston-type, and parts thereof	6,173	299	5,874
Internal combustion engines, non-piston type, and parts thereof	341,273	106,180	235,093
Pumps for liquids and parts thereof	0	0	0
Fans and blowers and parts thereof; and air pumps, vacuum pumps, and parts thereof	0	0	0
Compressors and parts thereof	0	0	0

¹ Less than \$500.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-26—Continued

U.S. Imports for consumption from France under TSUS Item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Air-conditioning machines and parts thereof	0	0	0
Furnace burners and non-electric industrial furnaces and ovens and parts thereof; and refrigerators and refrigeration equipment, and parts thereof	70	15	55
Centrifuges and filtering and purifying machinery and parts thereof	290	28	262
Wrapping and packaging machinery, machinery for cleaning or drying containers, machinery for aerating beverages, dishwashing machines, and parts thereof	0	0	0
Mechanical shovels, coal-cutters, excavators, scrapers, bulldozers, and excavating, levelling, boring, and extracting machinery other than elevators, winches, cranes, and related machinery and parts thereof	5,529	640	4,888
Lifting, handling, loading, unloading machinery and parts thereof	0	0	0
Pulp and paper machinery; and bookbinding and printing machinery	3,981	1,156	2,826
Sewing machines and parts thereof including furniture specially designed for such machines	0	0	0
Machines for working metal, stone, and other materials	384	3	381
Office machines and parts thereof	479	163	316
Automatic vending machines and parts thereof	0	0	0
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases or solids	0	0	0
Gear boxes and other speed changers with fixed, multiple, or variable ratios; pulleys and sheaves; shaft couplings; torque converters; chain sprockets; clutches; and universal joints; and parts thereof	0	0	0
Other miscellaneous machinery and mechanical equipment and parts thereof	3,070	178	2,892
Transformers	0	0	0
Motors and generators; and miscellaneous equipment related to motors, generators, and transformers	744	347	397
Portable electric hand tools	0	0	0
Electric household appliances	0	0	0
Electric furnaces and ovens, welding, brazing, induction and dielectric heating equipment	0	0	0
Telephone and telegraph apparatus; and radio navigational, radar, and radio remote control apparatus and parts thereof	3	3	(¹)
Microphones, loudspeakers, and related equipment	0	0	0
Television receivers	14	(¹)	14
Television apparatus and parts, other than cameras, receivers, and picture tubes	0	0	0
Radio receivers and transceivers and parts thereof	0	0	0
Record players, phonographs, record changers, and turntables, and parts thereof	0	0	0
Tape recorders, tape players, and dictation machines	213	67	146
Miscellaneous radiotelegraphic and radiotelephonic apparatus	0	0	0
Other miscellaneous electrical products and parts	37	16	21
Electrical capacitors	0	0	0
Articles for making and breaking electrical circuits	10	3	7
Voltage regulators	0	0	0
Electrical resistors	23	18	6
Electric lamps	0	0	0
Electronic tubes (except X-ray)	0	0	0

¹ Less than \$500.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-26—Continued

U.S. Imports for consumption from France under TSUS item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Semiconductors	587	296	291
Electrical conductors	6	3	3
Miscellaneous electrical articles	0	0	0
Rail locomotives and rolling stock	98,101	18,663	79,439
Motor vehicles including automobile trucks and truck tractors, motor buses, passenger automobiles, special purpose motor vehicles, and snowmobiles	192,936	19,893	173,043
Motor vehicle parts, industrial vehicles, non self-propelled vehicles, and motorcycles	303,376	9,205	294,171
Nonmilitary airplanes (all types); parts of aircraft and spacecraft; and parachutes, including parts	740,850	97,460	643,390
Pleasure boats; floating structures	1,750	163	1,587
All other articles	0	0	0
Total	1,699,922	254,796	1,445,126
Miscellaneous manufactures:			
Handbags	0	0	0
Luggage	0	0	0
Flat goods	0	0	0
Optical instruments, components and lenses	194	27	167
Surgical and medical instruments and apparatus	2,184	267	1,918
Scientific instruments	0	0	0
Balancing machines, and parts, and other drawing, measuring, and mathematical calculating instruments, and machines, n.s.p.f.	0	0	0
Watches, clocks, and clockwork operated devices (including time clocks and time stamps) and parts	3	3	(¹)
Photographic equipment and supplies	0	0	0
Magnetic recording media not having any material recorded thereon	0	0	0
Musical instruments, parts and accessories	0	0	0
Furniture, mattresses, and pillows, cushions, and similar furnishings	0	0	0
Small arms (bore diameter 30mm and under)	0	0	0
Ammunition and munitions	0	0	0
Game machines, except coin or disc operated	0	0	0
Fishing tackle	0	0	0
Baseball and softball equipment	0	0	0
Dolls and stuffed toy figures of animate objects	0	0	0
Toys (except games), models, tricks, and party favors	748	545	203
Jewelry	0	0	0
All other articles	1	1	(¹)
Total	3,130	843	2,288
Grand total	1,708,748	259,816	1,448,932

¹ Less than \$500.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-27

U.S. Imports for consumption from Singapore under TSUS Item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Agricultural, animal, and vegetable products:			
Mushrooms and truffles	0	0	0
All other articles	0	0	0
Total	0	0	0
Forest products:			
Industrial papers, packaging and miscellaneous papers	0	0	0
All other articles	30	2	28
Total	30	2	28
Textiles, apparel, and footwear:			
Women's, girls', and infants' shirts and blouses ...	380	9	371
Women's, girls', and infants' coats and jackets	125	1	124
Women's, girls', and infants' trousers, slacks, and shorts	996	3	994
Men's and boys' shirts	431	8	423
Men's and boys' coats and jackets	120	25	95
Men's and boys' trousers, slacks, and shorts	90	1	90
Body-supporting garments	0	0	0
Gloves	0	0	0
Footwear	53	10	44
All other articles	1,451	266	1,185
Total	3,648	323	3,325
Chemicals, coal, petroleum, natural gas, and related products:			
Fabricated rubber and plastic products	23	18	5
All other articles	0	0	0
Total	23	18	5
Minerals and metals:			
Metallic containers	0	0	0
Locks and padlocks	0	0	0
Handtools	336	202	134
Structures of base metal	0	0	0
Nonelectric heating and cooking apparatus other than cast iron stoves	0	0	0
Miscellaneous metal products and articles	0	0	0
All other articles	70	22	48
Total	406	224	182
Machinery and equipment:			
Steam engines, turbines, and boilers; and gas generators and parts thereof	0	0	0
Internal combustion engines, piston-type, and parts thereof	800	113	687
Internal combustion engines, non-piston type, and parts thereof	24	3	21
Pumps for liquids and parts thereof	0	0	0
Fans and blowers and parts thereof; and air pumps, vacuum pumps, and parts thereof	30	2	27
Compressors and parts thereof	0	0	0

Note.—Because of rounding, figures may not add to the totals shown.

Table B-27—Continued

U.S. Imports for consumption from Singapore under TSUS Item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Air-conditioning machines and parts thereof	0	0	0
Furnace burners and non-electric industrial furnaces and ovens and parts thereof; and refrigerators and refrigeration equipment, and parts thereof	0	0	0
Centrifuges and filtering and purifying machinery and parts thereof	0	0	0
Wrapping and packaging machinery, machinery for cleaning or drying containers, machinery for aerating beverages, dishwashing machines, and parts thereof	0	0	0
Mechanical shovels, coal-cutters, excavators, scrapers, bulldozers, and excavating, levelling, boring, and extracting machinery other than elevators, winches, cranes, and related machinery and parts thereof	3,872	189	3,684
Lifting, handling, loading, unloading machinery and parts thereof	0	0	0
Pulp and paper machinery; and bookbinding and printing machinery	0	0	0
Sewing machines and parts thereof including furniture specially designed for such machines	0	0	0
Machines for working metal, stone, and other materials	45	6	39
Office machines and parts thereof	956,089	126,554	829,535
Automatic vending machines and parts thereof	0	0	0
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases or solids	0	0	0
Gear boxes and other speed changers with fixed, multiple, or variable ratios; pulleys and sheaves; shaft couplings; torque converters; chain sprockets; clutches; and universal joints; and parts thereof	0	0	0
Other miscellaneous machinery and mechanical equipment and parts thereof	0	0	0
Transformers	24	2	22
Motors and generators; and miscellaneous equipment related to motors, generators, and transformers	5,254	1,377	3,877
Portable electric hand tools	0	0	0
Electric household appliances	22,098	1,426	20,672
Electric furnaces and ovens, welding, brazing, induction and dielectric heating equipment	0	0	0
Telephone and telegraph apparatus; and radio navigational, radar, and radio remote control apparatus and parts thereof	15	3	12
Microphones, loudspeakers, and related equipment	1,414	67	1,347
Television receivers	0	0	0
Television apparatus and parts, other than cameras, receivers, and picture tubes	31	18	13
Radio receivers and transceivers and parts thereof	71,869	12,788	59,081
Record players, phonographs, record changers, and turntables, and parts thereof	0	0	0
Tape recorders, tape players, and dictation machines	0	0	0
Miscellaneous radiotelegraphic and radiotelephonic apparatus	0	0	0
Other miscellaneous electrical products and parts	41,543	14,859	26,684
Electrical capacitors	9	9	(¹)
Articles for making and breaking electrical circuits	1,960	796	1,163
Voltage regulators	0	0	0
Electrical resistors	70	48	21
Electric lamps	1,998	255	1,743
Electronic tubes (except X-ray)	0	0	0

¹ Less than \$500.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-27—Continued

U.S. Imports for consumption from Singapore under TSUS Item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Semiconductors	566,317	222,563	343,754
Electrical conductors	1,438	1,189	249
Miscellaneous electrical articles	14,707	2,990	11,717
Rail locomotives and rolling stock	0	0	0
Motor vehicles including automobile trucks and truck tractors, motor buses, passenger automobiles, special purpose motor vehicles, and snowmobiles	0	0	0
Motor vehicle parts, industrial vehicles, non self-propelled vehicles, and motorcycles	0	0	0
Nonmilitary airplanes (all types); parts of aircraft and spacecraft; and parachutes, including parts ..	0	0	0
Pleasure boats; floating structures	2,417	365	2,053
All other articles	0	0	0
Total	1,692,022	385,622	1,306,400
Miscellaneous manufactures:			
Handbags	0	0	0
Luggage	81	16	64
Flat goods	0	0	0
Optical instruments, components and lenses	0	0	0
Surgical and medical instruments and apparatus	0	0	0
Scientific instruments	560	263	297
Balancing machines, and parts, and other drawing, measuring, and mathematical calculating instruments, and machines, n.s.p.f.	10	9	(¹)
Watches, clocks, and clockwork operated devices (including time clocks and time stamps) and parts	0	0	0
Photographic equipment and supplies	0	0	0
Magnetic recording media not having any material recorded thereon	1,122	11	1,111
Musical instruments, parts and accessories	0	0	0
Furniture, mattresses, and pillows, cushions, and similar furnishings	0	0	0
Small arms (bore diameter 30mm and under)	0	0	0
Ammunition and munitions	0	0	0
Game machines, except coin or disc operated	0	0	0
Fishing tackle	0	0	0
Baseball and softball equipment	0	0	0
Dolls and stuffed toy figures of animate objects	0	0	0
Toys (except games), models, tricks, and party favors	0	0	0
Jewelry	0	0	0
All other articles	38	2	36
Total	1,811	301	1,509
Grand total	1,697,939	386,490	1,311,449

¹ Less than \$500.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-28

U.S. Imports for consumption from Sweden under TSUS Item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Agricultural, animal, and vegetable products:			
Mushrooms and truffles	0	0	0
All other articles	0	0	0
Total	0	0	0
Forest products:			
Industrial papers, packaging and miscellaneous papers	0	0	0
All other articles	0	0	0
Total	0	0	0
Textiles, apparel, and footwear:			
Women's, girls', and infants' shirts and blouses ..	0	0	0
Women's, girls', and infants' coats and jackets	0	0	0
Women's, girls', and infants' trousers, slacks, and shorts	0	0	0
Men's and boys' shirts	0	0	0
Men's and boys' coats and jackets	0	0	0
Men's and boys' trousers, slacks, and shorts	0	0	0
Body-supporting garments	0	0	0
Gloves	0	0	0
Footwear	0	0	0
All other articles	322	259	64
Total	322	259	64
Chemicals, coal, petroleum, natural gas, and related products:			
Fabricated rubber and plastic products	0	0	0
All other articles	721	466	255
Total	721	466	255
Minerals and metals:			
Metallic containers	0	0	0
Locks and padlocks	0	0	0
Handtools	501	300	200
Structures of base metal	0	0	0
Nonelectric heating and cooking apparatus other than cast iron stoves	0	0	0
Miscellaneous metal products and articles	874	99	776
All other articles	7	5	2
Total	1,382	404	978
Machinery and equipment:			
Steam engines, turbines, and boilers; and gas generators and parts thereof	0	0	0
Internal combustion engines, piston-type, and parts thereof	5	2	3
Internal combustion engines, non-piston type, and parts thereof	7,054	78	6,976
Pumps for liquids and parts thereof	0	0	0
Fans and blowers and parts thereof; and air pumps, vacuum pumps, and parts thereof	0	0	0
Compressors and parts thereof	0	0	0

Note.—Because of rounding, figures may not add to the totals shown.

Table B-28—Continued

U.S. Imports for consumption from Sweden under TSUS Item 807.00, by commodity groups, 1987

(In thousands of dollars)			
Source	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Air-conditioning machines and parts thereof	0	0	0
Furnace burners and non-electric industrial furnaces and ovens and parts thereof; and refrigerators and refrigeration equipment, and parts thereof	0	0	0
Centrifuges and filtering and purifying machinery and parts thereof	30	10	20
Wrapping and packaging machinery, machinery for cleaning or drying containers, machinery for aerating beverages, dishwashing machines, and parts thereof	0	0	0
Mechanical shovels, coal-cutters, excavators, scrapers, bulldozers, and excavating, levelling, boring, and extracting machinery other than elevators, winches, cranes, and related machinery and parts thereof	22,737	797	21,940
Lifting, handling, loading, unloading machinery and parts thereof	0	0	0
Pulp and paper machinery; and bookbinding and printing machinery	117	25	92
Sewing machines and parts thereof including furniture specially designed for such machines	0	0	0
Machines for working metal, stone, and other materials	104	28	76
Office machines and parts thereof	40,293	2,457	37,835
Automatic vending machines and parts thereof	0	0	0
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases or solids	0	0	0
Gear boxes and other speed changers with fixed, multiple, or variable ratios; pulleys and sheaves; shaft couplings; torque converters; chain sprockets; clutches; and universal joints; and parts thereof	0	0	0
Other miscellaneous machinery and mechanical equipment and parts thereof	720	439	281
Transformers	0	0	0
Motors and generators; and miscellaneous equipment related to motors, generators, and transformers	65	19	46
Portable electric hand tools	0	0	0
Electric household appliances	0	0	0
Electric furnaces and ovens, welding, brazing, induction and dielectric heating equipment	0	0	0
Telephone and telegraph apparatus; and radio navigational, radar, and radio remote control apparatus and parts thereof	0	0	0
Microphones, loudspeakers, and related equipment	0	0	0
Television receivers	0	0	0
Television apparatus and parts, other than cameras, receivers, and picture tubes	0	0	0
Radio receivers and transceivers and parts thereof .	0	0	0
Record players, phonographs, record changers, and turntables, and parts thereof	0	0	0
Tape recorders, tape players, and dictation machines	0	0	0
Miscellaneous radiotelegraphic and radiotelephonic apparatus	0	0	0
Other miscellaneous electrical products and parts ..	0	0	0
Electrical capacitors	0	0	0
Articles for making and breaking electrical circuits ..	3	3	(¹)
Voltage regulators	0	0	0
Electrical resistors	0	0	0
Electric lamps	0	0	0
Electronic tubes (except X-ray)	0	0	0

¹ Less than \$500.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-28—Continued

U.S. Imports for consumption from Sweden under TSUS Item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Semiconductors	242	73	169
Electrical conductors	0	0	0
Miscellaneous electrical articles	0	0	0
Rail locomotives and rolling stock	0	0	0
Motor vehicles including automobile trucks and truck tractors, motor buses, passenger automobiles, special purpose motor vehicles, and snowmobiles	1,212,487	17,080	1,195,407
Motor vehicle parts, industrial vehicles, non self-propelled vehicles, and motorcycles	2,208	67	2,141
Nonmilitary airplanes (all types); parts of aircraft and spacecraft; and parachutes, including parts	106,849	64,019	42,830
Pleasure boats; floating structures	0	0	0
All other articles	0	0	0
Total	1,392,914	85,096	1,307,818
Miscellaneous manufactures:			
Handbags	0	0	0
Luggage	0	0	0
Flat goods	0	0	0
Optical instruments, components and lenses	1,389	120	1,269
Surgical and medical instruments and apparatus	0	0	0
Scientific instruments	357	59	297
Balancing machines, and parts, and other drawing, measuring, and mathematical calculating instruments, and machines, n.s.p.f.	0	0	0
Watches, clocks, and clockwork operated devices (including time clocks and time stamps) and parts	0	0	0
Photographic equipment and supplies	0	0	0
Magnetic recording media not having any material recorded thereon	0	0	0
Musical instruments, parts and accessories	0	0	0
Furniture, mattresses, and pillows, cushions, and similar furnishings	0	0	0
Small arms (bore diameter 30mm and under)	0	0	0
Ammunition and munitions	448	46	402
Game machines, except coin or disc operated	0	0	0
Fishing tackle	0	0	0
Baseball and softball equipment	0	0	0
Dolls and stuffed toy figures of animate objects	0	0	0
Toys (except games), models, tricks, and party favors	0	0	0
Jewelry	0	0	0
All other articles	0	0	0
Total	2,194	225	1,968
Grand total	1,397,533	86,450	1,311,082

Note.—Because of rounding, figures may not add to the totals shown.

Table B-29

U.S. Imports for consumption from Malaysia under TSUS item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Agricultural, animal, and vegetable products:			
Mushrooms and truffles	0	0	0
All other articles	0	0	0
Total	0	0	0
Forest products:			
Industrial papers, packaging and miscellaneous papers	0	0	0
All other articles	0	0	0
Total	0	0	0
Textiles, apparel, and footwear:			
Women's, girls', and infants' shirts and blouses ...	94	11	83
Women's, girls', and infants' coats and jackets ...	0	0	0
Women's, girls', and infants' trousers, slacks, and shorts	0	0	0
Men's and boys' shirts	1,250	47	1,204
Men's and boys' coats and jackets	0	0	0
Men's and boys' trousers, slacks, and shorts	0	0	0
Body-supporting garments	1,354	793	561
Gloves	0	0	0
Footwear	0	0	0
All other articles	145	1	144
Total	2,843	852	1,991
Chemicals, coal, petroleum, natural gas, and related products:			
Fabricated rubber and plastic products	4	1	3
All other articles	4	4	(¹)
Total	8	5	3
Minerals and metals:			
Metallic containers	0	0	0
Locks and padlocks	0	0	0
Handtools	0	0	0
Structures of base metal	0	0	0
Nonelectric heating and cooking apparatus other than cast iron stoves	0	0	0
Miscellaneous metal products and articles	6	1	5
All other articles	0	0	0
Total	6	1	5
Machinery and equipment:			
Steam engines, turbines, and boilers; and gas generators and parts thereof	0	0	0
Internal combustion engines, piston-type, and parts thereof	33	5	28
Internal combustion engines, non-piston type, and parts thereof	0	0	0
Pumps for liquids and parts thereof	0	0	0
Fans and blowers and parts thereof; and air pumps, vacuum pumps, and parts thereof	16	12	4
Compressors and parts thereof	0	0	0

¹ Less than \$500.

Note.—Because of rounding, figures may not add to the totals shown.

Table B-29—Continued

U.S. Imports for consumption from Malaysia under TSUS Item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Air-conditioning machines and parts thereof	80	18	62
Furnace burners and non-electric industrial furnaces and ovens and parts thereof; and refrigerators and refrigeration equipment, and parts thereof	8	1	7
Centrifuges and filtering and purifying machinery and parts thereof	0	0	0
Wrapping and packaging machinery, machinery for cleaning or drying containers, machinery for aerating beverages, dishwashing machines, and parts thereof	0	0	0
Mechanical shovels, coal-cutters, excavators, scrapers, bulldozers, and excavating, levelling, boring, and extracting machinery other than elevators, winches, cranes, and related machinery and parts thereof	0	0	0
Lifting, handling, loading, unloading machinery and parts thereof	0	0	0
Pulp and paper machinery; and bookbinding and printing machinery	0	0	0
Sewing machines and parts thereof including furniture specially designed for such machines	0	0	0
Machines for working metal, stone, and other materials	0	0	0
Office machines and parts thereof	2,052	692	1,359
Automatic vending machines and parts thereof	0	0	0
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases or solids	0	0	0
Gear boxes and other speed changers with fixed, multiple, or variable ratios; pulleys and sheaves; shaft couplings; torque converters; chain sprockets; clutches; and universal joints; and parts thereof	0	0	0
Other miscellaneous machinery and mechanical equipment and parts thereof	0	0	0
Transformers	0	0	0
Motors and generators; and miscellaneous equipment related to motors, generators, and transformers	778	454	325
Portable electric hand tools	0	0	0
Electric household appliances	0	0	0
Electric furnaces and ovens, welding, brazing, induction and dielectric heating equipment	0	0	0
Telephone and telegraph apparatus; and radio navigational, radar, and radio remote control apparatus and parts thereof	0	0	0
Microphones, loudspeakers, and related equipment	4	2	2
Television receivers	0	0	0
Television apparatus and parts, other than cameras, receivers, and picture tubes	6,919	4,537	2,382
Radio receivers and transceivers and parts thereof	32,004	12,717	19,286
Record players, phonographs, record changers, and turntables, and parts thereof	0	0	0
Tape recorders, tape players, and dictation machines	3	2	2
Miscellaneous radiotelegraphic and radiotelephonic apparatus	0	0	0
Other miscellaneous electrical products and parts	12,343	5,292	7,051
Electrical capacitors	5	3	2
Articles for making and breaking electrical circuits ..	2,214	1,189	1,025
Voltage regulators	0	0	0
Electrical resistors	12	5	6
Electric lamps	6,334	1,148	5,187
Electronic tubes (except X-ray)	0	0	0

Note.—Because of rounding, figures may not add to the totals shown.

Table B-29—Continued

U.S. Imports for consumption from Malaysia under TSUS item 807.00, by commodity groups, 1987

(In thousands of dollars)

Source	Total value	Duty-free value	Dutiable value
Machinery and equipment—Continued			
Semiconductors	1,008,149	594,686	413,463
Electrical conductors	151	48	103
Miscellaneous electrical articles	84	65	19
Rail locomotives and rolling stock	0	0	0
Motor vehicles including automobile trucks and truck tractors, motor buses, passenger automobiles, special purpose motor vehicles, and snowmobiles	419	119	300
Motor vehicle parts, industrial vehicles, non self-propelled vehicles, and motorcycles	0	0	0
Nonmilitary airplanes (all types); parts of aircraft and spacecraft; and parachutes, including parts ..	0	0	0
Pleasure boats; floating structures	0	0	0
All other articles	0	0	0
Total	1,071,608	620,996	450,612
Miscellaneous manufactures:			
Handbags	0	0	0
Luggage	0	0	0
Flat goods	0	0	0
Optical instruments, components and lenses	0	0	0
Surgical and medical instruments and apparatus	12	2	10
Scientific instruments	0	0	0
Balancing machines, and parts, and other drawing, measuring, and mathematical calculating instruments, and machines, n.s.p.f.	0	0	0
Watches, clocks, and clockwork operated devices (including time clocks and time stamps) and parts	202	27	175
Photographic equipment and supplies	0	0	0
Magnetic recording media not having any material recorded thereon	0	0	0
Musical instruments, parts and accessories	0	0	0
Furniture, mattresses, and pillows, cushions, and similar furnishings	512	144	368
Small arms (bore diameter 30mm and under)	0	0	0
Ammunition and munitions	0	0	0
Game machines, except coin or disc operated	0	0	0
Fishing tackle	0	0	0
Baseball and softball equipment	0	0	0
Dolls and stuffed toy figures of animate objects	0	0	0
Toys (except games), models, tricks, and party favors	0	0	0
Jewelry	0	0	0
All other articles	9	1	8
Total	735	174	561
Grand total	1,075,200	622,028	453,172

Note.—Because of rounding, figures may not add to the totals shown.

**Adjustments Made to
Census-reported 806.30 and 807.00 Statistics in 1987**

Tariff Item 808.30: TSUSA Items deleted from Census statistics, 1987

<i>TSUSA</i>	<i>Country</i>	<i>Total value</i>	<i>Value of U.S. products</i>	<i>Value added</i>
325.7915	Mexico	430	359	71
408.6400	Canada	11,910	8,860	3,050
417.4000	Fr Germ	220,563	165,422	55,141
422.8000	Fr Germ	127,758	62,357	65,401
425.1050	U King	145,257	120,968	24,289
727.3900	Canada	289	119	170
800.0035	Canada	50,125	15,923	34,202
Total		556,332	374,008	182,324

Tariff Item 808.30: TSUSA Items transferred and reported under 807.00, 1987

<i>TSUSA</i>	<i>Country</i>	<i>Total value</i>	<i>Value of U.S. products</i>	<i>Value added</i>
256.0500	U King	59,775	42,837	16,938
660.4850	Fr Germ	131,600	9,766	121,834
	Mexico	275,366	93,240	182,126
660.7160	Canada	17,761	17,511	250
	Ireland	199,870	91,080	108,790
	U King	25,479	16,170	9,309
660.7165	Canada	218,818	178,647	40,171
	Mexico	5,181,040	5,019,779	161,261
	U King	227,076	100,331	126,745
660.7170	U King	35,790	1	35,789
711.7840	Canada	84,554	14,105	70,449
791.7620	Argent	275	50	225
Total		6,457,404	5,583,517	873,887

Tariff Item 807.00: TSUSA Items deleted from Census statistics, 1987

<i>TSUSA</i>	<i>Country</i>	<i>Total value</i>	<i>Value of U.S. products</i>	<i>Value added</i>
322.3931	Jamaica	3,691	700	2,991
328.4981	Mexico	17,257	13,475	3,782
420.0000	Malaysia	6,083	3,048	3,035
461.4005	Canada	46,092	15,099	30,993
461.4025	Canada	17,244	6,249	10,995
	U King	669,313	47,855	621,458
473.8810	Canada	6,634	1,824	4,810
473.8820	Canada	18,981	10,357	8,624
606.6905	Canada	8,638	793	7,845
608.1305	Canada	8,715	2,158	6,557
608.1331	Canada	15,460	4,697	10,763
608.1335	Mexico	214,898	164,991	49,907
612.1040	Canada	46,901	1	46,900
642.6000	Mexico	16,555	9,407	7,148
657.3520	Canada	12,868	2,258	10,610
657.8000	Canada	51,979	4,250	47,729
	Mexico	1,638	862	776
800.0035	Canada	302,215	271,926	30,289
	Mexico	443,985	428,014	15,971
	Haiti	105,227	103,646	1,581
	Dom Rep.	32,783	32,711	72
	U King	13,697	10,057	3,640
	Kor Rep	1,428	675	753
801.1000	Kor Rep	15,862	847	15,015
806.2040	Canada	122,124	103,567	18,557
	Mexico	124,671	79,901	44,770
	Sweden	9,727	8,946	781
	U King	35,412	5,412	30,000
	France	150,734	3,500	147,234
	Austria	8,234	6,925	1,309
	Switzld	30,753	19,530	11,223
	Kor Rep	152,537	136,166	16,371
837.0000	U King	11,687	10,000	1,687
854.1000	Denmark	2,037,182	211,406	1,825,776
	U King	1,419,764	124,422	1,295,342
870.4500	Canada	27,345	7,708	19,637
Total		6,208,314	1,853,383	4,354,931

Tariff Item 807.00: TSUSA Items transferred and reported under 806.30, 1987

<i>TSUSA</i>	<i>Country</i>	<i>Total value</i>	<i>Value of U.S. products</i>	<i>Value added</i>
423.0094	Fr Germ	146,606	112,435	34,171
606.7900	Mexico	7,031	4,477	2,554
610.3205	Canada	34,047	27,680	6,367
610.9275	Canada	104,483	39,471	65,012
618.1000	Mexico	13,405	2,985	10,420
618.2560	Canada	98,852	75,637	23,215
	Japan	2,815,188	1,858,676	956,512
618.2563	Belgium	6,896	5,437	1,459
	Japan	2,731,456	1,686,251	1,045,205
618.4700	Mexico	9,941	8,436	1,505
624.0330	Mexico	36,118	18,445	17,673
624.0350	Canada	71,496	35,750	35,746
644.0600	Canada	2,333	1,149	1,184
644.1100	Japan	37,683	23,733	13,950
644.1200	Japan	219,306	138,891	80,415
646.5600	Canada	4,033	400	3,633
646.6340	Mexico	23,123	32	23,091
646.7000	Canada	1,675	261	1,414
660.1040	Canada	942,877	149,877	793,000
Total		7,306,549	4,190,023	3,116,526

Industry Groups Concorded With Commodity Groups

Item 806.30 Industry and Commodity Groups

Agricultural and Forest Products

Agricultural, animal, and vegetable products
Forest products

Textiles, Apparel, and Footwear

Textiles, apparel, and footwear

Chemicals, Coal, Petroleum, Natural Gas, and Related Products

Chemicals, coal, petroleum, natural gas, and related products

Minerals and Metals

Minerals and metals

Internal Combustion Engines and Parts Thereof

Internal combustion engines and parts thereof

Office Machines and Parts Thereof

Office machines and parts thereof

Motors, Generators, Transformers, and Related Equipment

Motors and generators, and miscellaneous equipment related to motors

Radio and Telephonic Equipment and Parts Thereof

Microphones, loudspeakers, and related equipment; and radiotelegraphic
and radiotelephonic apparatus

Semiconductors

Semiconductors

Other Electrical Articles

Electrical capacitors
Articles for making and breaking electrical circuits
Electronic tubes (except x-ray)
Miscellaneous electrical articles

Motor Vehicle Parts, Industrial Vehicles, Non-Self-Propelled Vehicles,

Motorcycles, Rail Locomotives, and Rolling Stock

Parts for rail locomotives and rolling stock
Bodies and chassis for motor vehicles, and other motor-vehicle parts

Other Machinery and Equipment

Parts of steam-generating boilers
Parts of steam turbines
Pumps and compressors, and parts thereof
Lifting, handling, loading, and unloading machinery and parts thereof
Machines for working metal, stone, and other materials, except
gas-operated metalworking appliances
Taps, cocks, valves, and similar devices and parts thereof used to control
the flow of liquids, gases, or solids
Miscellaneous machinery parts
Parts of aircraft and spacecraft
All other articles

Miscellaneous Manufactures

Miscellaneous manufactures

Item 807.00 Industry and Commodity Groups

Agricultural and Forest Products

Agricultural, animal, and vegetable products
Forest products

Shirts and Blouses

Women's, girls', and infants' shirts and blouses
Men's and boys' shirts

Trousers, Slacks, and Shorts

Women's, girls', and infants' trousers, slacks, and shorts
Men's and boys' trousers, slacks, and shorts

Body-Supporting Garments

Body-supporting garments

Footwear

Footwear

Other Textiles and Apparel

Women's, girls', and infants' coats and jackets
Men's and boys' coats and jackets
Gloves
All other articles

Chemicals, Coal, Petroleum, Natural Gas, and Related Products

Chemicals, coal, petroleum, natural gas, and related products

Minerals and Metals

Minerals and metals

Internal Combustion Engines and Parts Thereof

Internal combustion engines, piston-type, and parts thereof
Internal combustion engines, non-piston-type, and parts thereof

Office Machines and Parts Thereof

Office machines and parts thereof

Motors, Generators, and Transformers; and Miscellaneous Equipment Related to Motors, Generators, and Transformers

Transformers
Motors and generators and miscellaneous equipment related to motors,
generators, and transformers

Television Apparatus and Parts, Other Than Cameras and Picture Tubes

Television receivers
Television apparatus and parts, other than cameras, receivers, and picture
tubes

Radio and Telephonic Equipment and Parts Thereof

Telephone and telegraph apparatus, and radio navigational, radar, and
radio remote control apparatus
Microphones, loudspeakers, and related equipment
Radio receivers and transceivers and parts thereof
Miscellaneous radiotelegraphic and radiotelephonic apparatus

Tape Recorders, Record Players, and Related Equipment

Record players, phonographs, record changers, and turntables, and parts
thereof
Tape recorders, tape players, and dictation machines

Semiconductors

Semiconductors

Other Electrical Articles

Other miscellaneous electrical products and parts
Electrical capacitors
Articles for making and breaking electrical circuits
Voltage regulators
Electrical resistors
Electronic tubes (except x-ray)
Electrical conductors
Miscellaneous electrical articles

Motor Vehicles, Including Automobile Trucks and Truck Tractors, Motor Buses, Passenger Automobiles, Special-Purpose Motor Vehicles, and Snowmobiles

Motor vehicles, including automobile trucks and truck tractors, motor buses, passenger automobiles, special-purpose motor vehicles, and snowmobiles

Motor-Vehicle Parts, Industrial Vehicles, Non-Self-Propelled Vehicles, Motorcycles, Rail Locomotives, and Rolling Stock

Rail locomotives and rolling stock
Motor-vehicle parts, industrial vehicles, non-self-propelled vehicles and motorcycles

Other Machinery and Equipment

Steam engines, turbines, and boilers; and gas generators and parts thereof
Pumps for liquids and parts thereof
Fans and blowers and parts thereof; air pumps, vacuum pumps and parts thereof
Compressors and parts thereof
Air-conditioning machines and parts thereof
Furnace burners and nonelectric industrial furnaces and ovens and parts thereof; and refrigerators and refrigeration equipment and parts thereof
Centrifuges and filtering and purifying machinery and parts thereof
Wrapping and packaging machinery, machinery for cleaning or drying containers, machinery for aerating beverages, dishwashing machines, and related machines and parts thereof
Mechanical shovels, coalcutters, excavating, leveling, boring, and related equipment
Lifting, handling, loading, unloading machinery and parts thereof
Pulp and paper machinery, and bookbinding and printing machinery
Sewing machines and parts thereof
Machines for working metal, stone, and other materials
Automatic vending machines and parts thereof
Taps, cocks, valves, and similar devices and parts thereof used to control the flow of liquids, gases, or solids
Gear boxes and other speed changers, fixed, multiple, or variable
Other miscellaneous machinery and mechanical equipment and parts thereof
Portable electric hand tools
Electric household appliances
Electric furnaces and ovens, welding, brazing, induction, and dielectric heating equipment
Electric lamps
Nonmilitary airplanes (all types); parts of aircraft; and spacecraft
Pleasure boats; floating structures
All other articles

Scientific Instruments and Apparatus

Surgical and medical instruments and apparatus
Scientific instruments

Furniture, Mattresses, and Pillows

Furniture, mattresses, and pillows, cushions, and similar furnishings

Other Miscellaneous Manufactures

Handbags
Luggage
Flat goods
Optical instruments, components, and lenses
Balancing machines, and parts, and other drawing, measuring, and
mathematical instruments
Watches, clocks, and clockwork-operated devices (including timeclocks)
Photographic equipment and supplies
Magnetic recording media not having any material recorded thereon
Musical instruments, parts and accessories
Small arms (bore diameter 30mm and under)
Ammunition and munitions
Game machines, except coin or disc operated
Fishing tackle
Baseball and softball equipment
Dolls and stuffed toy figures of animate objects
Toys (except games), models, tricks, and party favors
Jewelry
All other articles

APPENDIX C
TARIFF AND TRADE AGREEMENT TERMS

Tariff and Trade Agreement Terms

The rates of duty in rate *column 1* of the TSUS are most-favored-nation (MFN) rates and in general represent the final stage of the reductions granted in the Tokyo Round of the Multilateral Trade Negotiations. Column 1 duty rates are applicable to imported products from all countries except those Communist countries and areas enumerated in general headnote 3(d) to the TSUS, whose products are dutied at the rates set forth in *column 2*; the People's Republic of China, Hungary, Poland, Romania, and Yugoslavia are the only Communist countries eligible for MFN treatment. Among articles dutiable at column 1 rates, particular products of enumerated countries may be eligible for reduced rates of duty or for duty-free treatment under one or more preferential tariff programs. Such tariff treatment is set forth in the *special* rates of duty column.

The *Generalized System of Preferences* (GSP) affords nonreciprocal tariff preferences to developing countries to aid their economic development and to diversify and expand their production and exports. The U.S. GSP, enacted in title V of the Trade Act of 1974 and renewed in the Trade and Tariff Act of 1984, applies to merchandise imported on or after January 1, 1976 and before July 4, 1993. Indicated by the symbol "A" or "A*" in the special rates column, the GSP provides duty-free entry to eligible articles the product of and imported directly from designated beneficiary developing countries.

The *Caribbean Basin Economic Recovery Act* (CBERA) affords nonreciprocal tariff preferences to developing countries in the Caribbean Basin area to aid their economic development and to diversify and expand their production and exports. The CBERA, enacted in title II of Public Law 98-67 and implemented by Presidential Proclamation 5133 of November 30, 1983, applies to merchandise entered, or withdrawn from warehouse for consumption, on or after January 1, 1984; it is scheduled to remain in effect until September 30, 1995. Indicated by the symbol "E" or "E*" in the special rates column, the CBERA provides duty-free entry to eligible articles the product of and imported directly from designated Basin countries.

Preferential rates of duty in the special rates column followed by the code "I" are applicable to products of Israel under the *United States-Israel Free Trade Area Implementation Act* of 1985, as provided in general headnote 3(e)(viii) of the TSUS. Where no rate of duty is provided for products of Israel in the special rates column for a particular tariff item, the rate of duty in column 1 applies.

The *Harmonized Commodity Description and Coding System*, known as the Harmonized System or HS, is intended to serve as the single modern product nomenclature for use in classifying products for customs tariff, statistical, and transport documentation purposes. Based on the Customs Cooperation Council Nomenclature, the HS is a detailed classification structure containing approximately 5,000 headings and subheadings describing articles in trade. The provisions are organized in 96 chapters arranged in 20 sections which, along with the interpretative rules and the legal notes to the chapters and sections, form the legal text of the system. Parties to the HS Convention agree to base their customs tariffs and statistical programs upon the HS nomenclature. Legislation to replace the TSUS with an HS-based tariff schedule known as the Harmonized Tariff Schedule of the United States is before the U.S. Congress.

The *General Agreement on Tariffs and Trade* (GATT) (61 Stat. (pt. 5) A58; 8 UST (pt. 2) 1786) is the multilateral agreement which sets forth the basic principles governing international trade among its more than 90 signatories. The GATT's main obligations relate to most-favored-nation treatment, the maintenance of scheduled concession rates of duty, and national (nondiscriminatory) treatment for imported products; the GATT also provides the legal framework for customs valuation standards, "escape clause" (emergency) actions, antidumping and countervailing duties, and other measures. The results of GATT-sponsored multilateral tariff negotiations are set forth by way of separate schedules of concessions for each participating contracting party, with the U.S. schedule designated as Schedule XX.

Officially known as "The Arrangement Regarding International Trade in Textiles," the *Multifiber Arrangement* (MFA) provides a framework for the negotiation of bilateral agreements between importing and producing countries, or for unilateral action by importing countries in the absence of an agreement. These bilateral agreements establish quantitative limits on imports of textiles and apparel, of cotton and other vegetable fibers, wool, manmade fibers and silk blends, in order to prevent market disruption in the importing countries—restrictions that would otherwise be a departure from GATT provisions. The United States has bilateral agreements with more than 30 supplying countries, including the four largest suppliers: China, Hong Kong, the Republic of Korea, and Taiwan.

President Johnson and Prime Minister Pearson signed an agreement on January 16, 1965, which obligated both the United States and Canada to accord duty-free treatment to imports from the other party of specified motor vehicles and parts for use as original equipment in the manufacture of such motor vehicles. The Government of Canada implemented the agreement in Canada through two Orders in Council Establishing Duty-Free Treatment (P.C. 1965-99 and P.C. 1965-100, The Motor Vehicles Tariff Orders of 1965). The Government of the United States implemented the agreement with the signing of the *Automotive Products Trade Act of 1965* (APTA) on October 21, 1965, applying duty-free treatment retroactive to January 18, 1965. The obligation of the United States to accord duty-free treatment to imports from Canada applies to 1) motor vehicles, with the exception of certain "special-purpose" vehicles, such as electric buses, three-wheeled vehicles, and fire engines; and 2) parts for use as original equipment in the manufacture of the specified motor vehicles (replacement parts, trailers, tires, and tubes are specifically excluded). The products from Canada specified in the agreement must meet a requirement that they contain no more than a certain percentage of content originating outside the United States or Canada.

