

United States International Trade Commission

Proposed Modifications to the Harmonized Tariff Schedule of the United States

Investigation No. 1205-6 (Preliminary)
USITC Publication 3764
March 2005



U.S. International Trade Commission

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TABLE OF CONTENTS

Overview	1
Recommendations	3
Background	3
The Harmonized System Convention	3
Executive authority	4
Proposed Modifications	6
Modifications to bring the HTS into conformity with amendments to the	
HS Nomenclature	7
Multilayer flooring panels	7
Hockey pants	8
New notes 1(v) and 4 to chapter 95	8
Modifications to bring U.S. Customs practice into conformity with HSC	
decisions not affecting the international HS Nomenclature	10
Drilled or notched lumber	10
Safety seats for infants and toddlers	11
Certain hygienic articles of plastics	11
Multilayer parquet panels	12
Photo frame albums	12
Probable economic effects of proposed modifications	12
Appendixes	
A. <i>Federal Register</i> notices concerning this investigation	A-1
B. Proposed modifications to the HTS	B-1
C. Correlation table, sorted by proposed HTS No.	C-1
D. Correlation table, sorted by current HTS No.	D-1
E. Letter from Boen Hardwood Flooring, Inc.	E-1
F. Letter from Bauer Nike Hockey, USA.	F-1
G. Letter from the Foreign Trade Association of Southern California	G-1
H. Letter from the Toy Industry Association	H-1
I. Letters from U.S. Customs and Border Protection	I-1
J. Definitions of tariff and trade agreement terms	J-1

OVERVIEW

On September 8, 2004, the U.S. International Trade Commission (the Commission) instituted investigation No. 1205-6, Proposed Modifications to the Harmonized Tariff Schedule of the United States, pursuant to section 1205 of the Omnibus Trade and Competitiveness Act of 1988. The Commission's most recent prior investigation of this issue was Investigation No. 1205-5, Proposed Modifications to the Harmonized Tariff Schedule of the United States (Publication 3430, June 2001). Section 1205 requires the Commission to keep the Harmonized Tariff Schedule of the United States (HTS) under continuous review and to recommend to the President modifications to the HTS in order to reflect amendments to the Harmonized Commodity Description and Coding System (the Harmonized System or HS) that are periodically recommended by the World Customs Organization (WCO), formally named the Customs Cooperation Council (CCC), for adoption, and as other circumstances warrant. In addition to changes in the HS nomenclature, the Commission may take into account decisions issued by the WCO's Harmonized System Committee (HSC) affecting the classification of particular goods, where modifications to the HTS may be required in order to ensure that the subject imported goods continue to receive existing duty treatment. Also, the U.S. Customs Service (Customs) may bring to the Commission's attention those changes in the classification of particular goods that may likewise require the creation of separate tariff categories in order to continue existing duty treatment. The modifications proposed in this report would implement in U.S. law the amendments to the Harmonized System nomenclature that were recommended for adoption by the WCO in June 2004, to become effective as of January 1, 2007, and certain HSC decisions that are necessary and appropriate to ensure uniform application of the nomenclature.

In accordance with section 1205, the Commission solicited, and gave consideration to, the views of interested Federal agencies and the public before proposing recommended modifications to the HTS. The

Commission's report to the President presents its recommendations, summarizes the information on which its recommendations are based, presents a concordance of present and proposed tariff categories, and provides a statement of the probable economic effects of recommended changes on any industry in the United States. Copies of written comments received from Federal agencies and interested parties of the private sector are also included. Issues raised in these comments are summarized in this report.

Notice of this investigation was published in the *Federal Register* on September 14, 2004 (69 FR 55461); the notice made reference to a draft of proposed modifications, which was made available for the purpose of soliciting public comment by placing a copy on the Commission's Internet website. A copy of the *Federal Register* notice is provided in appendix A to this report.

The information contained in this report was obtained from or based upon (a) documents of the WCO, (b) research by the Commission's staff, (c) the Commission's files, (d) consultations with and communications from Government agencies, (e) written submissions from interested parties in the private sector, and (f) other sources. The report includes background information on the international HS and on the procedures involved in its modification, a discussion of proposed modifications requested by Customs, an appendix presenting all of the proposed HTS modifications (appendix B), cross-reference tables (appendixes C and D), and appendixes concerning written submissions (appendixes E through I). A general list of definitions of tariff and trade agreement terms is provided in appendix J.

The Commission's preliminary report is also being placed on the Commission's Internet website (www.usitc.gov). It is anticipated that further information may be developed, particularly during the course of discussions at the World Trade Organization (WTO) in connection with the modification of schedules of concessions, in which case it may be necessary to reconsider the derivation of certain tariff rates and possibly to address other issues under negotiation. Accordingly, the Commission's investigation will remain open as necessary to address any such matters in order to complete the record. All of the proposed amendments to date are set out in appendix B to this report.

RECOMMENDATIONS

BACKGROUND

The Harmonized System Convention

Subtitle B of title I of the Omnibus Trade and Competitiveness Act of 1988 (the 1988 Act) approved the United States' accession to the International Convention on the Harmonized Commodity Description and Coding System, which was completed in Brussels on June 14, 1983, under the auspices of the CCC. The Convention establishes a standardized tariff nomenclature,¹ the purpose of which was, and is, to facilitate international trade through the use of a single nomenclature structure for the description, classification, and coding of imports and exports of the contracting parties. This nomenclature, under the requirements of the Convention, assists in the collection, comparison, and analysis of international trade statistics. Article 3 of the HS Convention requires each contracting party to apply the HS nomenclature as the basis of its customs tariff nomenclature and publication of foreign trade statistics.

The HS Convention created the Harmonized System Committee, comprising representatives of all the contracting parties to the Convention. Among the HSC's functions is the preparation of recommendations for achieving uniform interpretation of the HS nomenclature by the members and for keeping the HS product categories current, taking into account technological developments and changing patterns in international trade. These recommendations are issued as amendments to the Convention, especially to the HS annex, and may be reflected in one or more related publications of the WCO, notably the Explanatory Notes to the HS and the Compendium of Classification Opinions, on which the contracting parties rely for guidance in the understanding of the nomenclature. While the Explanatory Notes and Compendium are helpful and authoritative sources of such information, they are not legally binding on the contracting parties.

¹The annex to the HS Convention contains the HS nomenclature and legal rules and notes. The 1988 Act implemented the HTS, which incorporates the structure of the HS nomenclature.

The recommended amendments to the HS generally arise in two contexts: (1) the HSC's actions on classification questions or disputes initiated by members, and (2) the work of a Review Subcommittee (RSC), as its recommendations are subsequently approved by the HSC and ultimately by the WCO. The RSC was established in 1990 by the HSC to review the HS nomenclature on a regular basis and to consider possible changes needed to keep it current with recent changes in technology and trade patterns. Most of the amendments set forth in the WCO's Article 16² recommendation and under consideration in this investigation comprise RSC proposals that resulted from its most recent review cycle.

Pursuant to Article 16, amendments to the HS that have been recommended to members by the WCO are deemed to be accepted 6 months after the date of notification of the recommendation, except with respect to contracting parties that notify the WCO of an objection. By agreement of the members, any amendments to the Explanatory Notes or to the Compendium of Classification Opinions are deemed to be accepted when no objection is notified within 3 months of HSC approval.

Executive Authority

Under sections 1205 and 1206 of the 1988 Act, an administrative mechanism allows the President to proclaim certain types of modifications to the HTS, including changes needed to bring the HTS into conformity with proposed amendments of the HS nomenclature. The Commission is directed by section 1205(a) to keep the HTS under continuous review and to recommend appropriate modifications to the President whenever amendments to the HS nomenclature are adopted by the WCO and as warranted by particular circumstances:

“[The Commission] shall recommend to the President such modifications in the Harmonized Tariff Schedule as [it] considers necessary or appropriate—

²Article 16 of the HS Convention sets out the procedures for amending the Convention and its HS annex, including provisions for contracting parties to notify the WCO Secretary General of objections to any recommended amendment. [See WCO Document 99NL664—Wi/G of July 1, 1999.]

- (1) to conform the [HTS] with amendments made to the Convention;³
- (2) to promote the uniform application of the Convention and particularly the Annex thereto;
- (3) to ensure that the HTS is kept up-to-date in light of changes in technology or changes in patterns of international trade;
- (4) to alleviate unnecessary administrative burdens; and
- (5) to make technical rectifications.⁴

Section 1205(d) provides that the Commission cannot recommend a modification to the HTS unless the change (1) is “consistent with the Harmonized System Convention or any amendment thereto recommended for adoption;” (2) is “consistent with sound nomenclature principles;” and (3) “ensures substantial rate neutrality.” Any modification that would change a rate of duty must be consequent to, or necessitated by, recommended nomenclature changes. Finally, the recommended modifications “must not alter existing conditions of competition for the affected U.S. industry, labor, or trade.”

Section 1206 of the 1988 Act authorizes the President to proclaim modifications to the HTS, on the basis of recommendations by the Commission under section 1205, if he determines that the proposed changes are in conformity with U.S. obligations under the HS Convention and do not run counter to the national economic interest of the United States. The modifications can be proclaimed only after the expiration of a 60-day period⁵ that begins on the date the President submits a report to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate; the report must enumerate the proposed modifications and the reasons for making them. Such proclaimed

³Under the terms of article 2 of the HS Convention, the nomenclature annex is a part of the Convention, and a reference to the Convention is deemed to include a reference to the annex.

⁴Section 1202(6) of the 1988 Act limits the scope of “technical rectifications” to include clerical or typographical errors that do not affect the substance or meaning of the text, such as errors in spelling, numbering, punctuation, or indentation and also to inadvertent errors (including inadvertent omissions) in cross-references between headings, subheadings, or notes, as well as to similar errors.

⁵This period is computed based on “legislative days” and therefore excludes Saturdays and Sundays (unless Congress is in session) and any other day on which either the House or the Senate is not in session.

modifications cannot become effective before the 15th day after the text of the implementing proclamation is published in the *Federal Register*.

PROPOSED MODIFICATIONS

A preliminary draft of the Commission's proposed modifications was made available to the public in a document placed on the Commission's Internet site as announced in the notice of institution of the investigation. The proposed modifications presented in appendix B to this report and summarized below incorporate revisions made as a result of written comments submitted to the Commission and of any corrections or technical changes deemed necessary (including corrigenda issued by the WCO).

The bulk of the recommendations in appendix B are based upon decisions taken by the HSC during its 24th through 33rd sessions (October 1999 through May 2004), following various actions of the RSC, which submitted its proposals as they were finalized. Though the aim of the RSC in its latest review cycle was to concentrate its efforts on high-technology goods of Chapters 84, 85 and 90, the WCO's Article 16 recommendation issued on June 26, 2004 contains several hundred amendments affecting 83 chapters and more than 240 headings throughout the nomenclature. These changes are intended to update the nomenclature or clarify the classification of particular goods. For example, printing machinery that formerly was classifiable in various areas of the nomenclature will now be combined into a single heading (8443) ; in another case, a number of changes will be made in the headings covering wood and bamboo products of Chapter 44. Certain changes in the Article 16 recommendation require no corresponding changes in the HTS, because the proposals either relate to the French text only or do not require the establishment of additional tariff rate lines to continue existing U.S. duty treatment. In addition, as discussed in the paragraphs set forth below, a few changes contained in appendix B result from requests by Customs.

The duty rates set forth in appendix B are those which are scheduled to be in effect as of

January 1, 2007. Any staged duty-rate reductions that have already been established by Presidential Proclamation (e.g., as a result of the various bilateral trade negotiations) will continue to be applied beyond the January 1, 2007, implementation date, as appropriate. In a few cases, where a proposed new HTS subheading represents the combination of two or more present HTS subheadings with differing Column 1-General duty rates, the proposed rate is based on that for the existing subheading which accounts for a preponderance of the trade in the proposed new subheading. Further, the proposed duty rates shown may be subject to change as a result of legislation or proclamations that may take effect between the time that the Commission submits its final report to USTR and the projected implementation date of January 1, 2007. Finally, though the USITC report deals only with legal amendments to the HTS, i.e., at the 8-digit level, the 2007 version of the HTS will also reflect, where appropriate, statistical subdivisions, textile quota categories, footnotes, etc., which are delineated at the 10-digit level.

Modifications to bring the HTS into conformity with amendments to the HS Nomenclature

Multilayer flooring panels

In a letter dated November 30, 2004 (appendix E), the law firm of Grunfeld, Desiderio, Lebowitz, Silverman & Klestadt L.L.P. opined that the Commission proposal to provide for multilayer flooring panels in new subheading 4418.72.90 at a column 1-general duty rate of 8% was not revenue neutral. As indicated above (see section on *Executive authority*), proposals under section 1205 of the 1988 Act are to be “substantially rate neutral”. Grunfeld, et al. argued that the HSC had recently taken a decision to classify such flooring panels in existing subheading 4418.30, which in the HTS is duty free, and that the new subheading 4418.72.90 should therefore also be duty free. However, the Commission has always interpreted “substantial rate neutrality” to mean that the rate proposed under section 1205 should reflect established U.S. Customs practice. In this case, Customs would normally have classified the subject

goods in subheading 4412.22.31 or 4412.29.36. The Commission used the rate from these subheadings for proposed new subheading 4418.72.90.

Hockey pants

In a late submission dated December 30, 2004 (appendix F), the law firm of Sidley Austin Brown & Wood L.L.P., on behalf of Bauer Nike Hockey, USA, expressed concern that new note 1(v) to chapter 95 might contradict a recent U.S. court case concerning the classification in the HTS of certain imported hockey pants (*Bauer Nike Hockey USA, Inc. v. United States*). In the *Bauer* case, the U.S. Court of Appeals for the Federal Circuit held that the subject hockey pants were classified as sports equipment in subheading 9506.99.25.

New note 1(v), which was adopted by the Harmonized System Committee in different context, specifically excludes from Chapter 95 “...apparel...having a utilitarian function...”. In its submission, Sidley et al. suggested that the ITC propose modified wording for new note 1(v) to chapter 95 “that more clearly indicates the purpose of this exclusionary note”. However, the text of note 1(v) was approved and adopted at the international level at the WCO and is not open to amendment at the national level. Under the HS Convention, the note cannot now be amended again, even at the international level, without following a long-term procedure in the HSC. That being said, Customs, in its letter of February 25, 2005 (appendix I), indicated that U.S. Customs, in following the *Bauer* decision, will continue to classify the subject hockey pants in Chapter 95, regardless of new note 1(v) to chapter 95, since the pants are regarded as “sports equipment” and not as “apparel” for the purposes of that note. Consistent with this reasoning, the Commission has not recommended any new breakouts in Section XI to cover hockey pants.

New notes 1(v) and 4 to chapter 95

The Commission received two late submissions concerning these new notes, which were adopted by the HSC and approved by the WCO Council. One submission (appendix G), dated January 14, 2005, was from the Foreign Trade Association of Southern California (“FTASC”); the other submission (appendix

H), dated January 26, 2005, came from the law firm of Sharretts, Paley, Carter & Blauvelt, P.C., on behalf of the Toy Industry Association (TIA).

Both FTASC and TIA expressed concerns about the effect of new note 1(v) to chapter 95 on the classification of imported toys and, in particular, toys put up in sets. Specifically, the concern was that, if a toy set contained a component that was excluded from classification in chapter 95 by virtue of note 1(v), that toy set itself might be ineligible for classification in chapter 95. In its letter of February 25, 2005 Customs noted that the intent of Note 1(v) was not to alter the classification of toys, but to reflect the existing scope of chapter 95 and that “articles principally for the amusement of children or adults will continue to be classified as toys in chapter 95”. The Commission notes that new note 4 to chapter 95 is intended to facilitate the classification of toy sets in chapter 95, assuming that such sets retain the essential character of toys, even if they contain one or more components covered by note 1(v).

FTASC also noted that the potential for product shifts arising from new note 1(v) to chapter 95 might be inconsistent with certain existing Customs rulings concerning the classification of certain products not treated as “festive articles” of heading 9505. The concern was that many products now classifiable in chapter 95 could be transferred to other chapters and classified according to their constituent material.

In its February 25, 2005, letter, Customs acknowledged that certain limited classes of merchandise may be affected by the new note. In the case of *Midwest of Cannon Falls, Inc. v. United States*, certain decorative tableware and kitchenware, having utilitarian function and being decorated with representations of an accepted symbol for a recognized holiday, were properly classifiable as festive articles in chapter 95 (heading 9505). Customs suggested that substantial rate neutrality for these articles might be ensured with appropriate breakouts for them in chapters covering tableware and kitchenware.

Another case noted by FTASC was *Rubie’s Costume Company v. United States*. Customs indicated in its letter that the merchandise at issue in that case was “not affected by new note 1(v) as the court ruled that the merchandise...was not “wearing apparel”. As for the third case noted, *Park B. Smith, Ltd. v.*

United States, Customs indicated that it was premature to suggest any changes to the tariff, as the case was on remand to the Court of International Trade and was not final.

Commission staff met with representatives of both TIA and FTASC on February 10, 2005, to discuss these issues. Both groups agreed to submit further comments outlining specific product groups that might be shifted out of chapter 95 (where they are now duty free) and into other chapters where they may become dutiable in 2007 as a result of implementing new notes 1(v) and 4 to chapter 95. It was anticipated that such comments would be submitted directly to the USTR by the end of March 2005.

Modifications to bring U.S. Customs practice into conformity with HSC decisions not affecting the international HS Nomenclature

In a letter dated February 22, U.S. Customs indicated that the Harmonized System Committee had taken several classification decisions since May 1999 that did not result in changes to the international HS, but which were counter to established U.S. Customs practices and court rulings. In order to bring the HTS into conformity with the HSC decisions, Customs requested that certain additional proposed legal amendments be included in this investigation, along with the other amendments arising from the WCO's recommendation of June 26, 2004. The main areas of concern are briefly summarized below. All of the amendments discussed below are incorporated in appendixes B, C, and D.

Drilled or notched lumber

Customs indicated that drilled or notched lumber studs had been classified by the HSC as builders' joinery in heading 4418, whereas Customs practice was to classify such products in heading 4407. In order to conform to the decision, Customs asked that an additional U.S. note be inserted in the HTS to provide a legal basis for the classification in heading 4418, and that a separate rate line for drilled or notched lumber studs be inserted in heading 4418 to carry over

the established duty treatment from heading 4407. These amendments are reflected in appendix B.

Safety seats for infants and toddlers

As indicated by Customs, the HSC had classified certain child safety seats, not as “seats of a kind used for motor vehicles” (subheading 9401.20.00), but rather as “other seats” of subheading 9401.80. Customs requested an additional U.S. note to provide legal clarification of this classification in the HTS. Given that the duty rate involved is “free” in either case, Customs did not ask for a separate rate line for child safety seats under 9401.80, but did ask that the statistical annotation for such seats under present subheading 9401.20 be maintained in the 2007 HTS under subheading 9401.80.

Certain hygienic articles of plastics

Given that the HSC had agreed that hygienic articles of plastics should be classified together in heading 3924, certain hygienic articles traditionally classified by Customs in heading 3926 would be transferred after January 1, 2007. To reflect these transfers, Customs requested a new subheading for “nursing nipples and finger cots” under heading 3924, as well as amendments to the article descriptions for existing subheadings 3926.90.15 and 3926.90.20. These two subheadings will be renumbered in 2007 to indicate a change in their scope. Customs also noted that “crutch tips and grips” (in existing subheading 3926.90.20) were more properly classifiable in heading 9021. The Commission has not proposed a separate subheading for these products in heading 9021, but merely indicated the transfer by renumbering the basket subheading 9021.90.80 as 9021.90.81 to reflect a change in scope of that subheading.

Multilayer parquet panels

The HSC considered the classification of certain multilayer flooring panels, consisting of 2 or 3 layers, the face layer being finished wood measuring 4 mm in thickness. The Committee classified the products as builders' joinery in heading 4418, despite the U.S. argument that they met the criteria for veneered or laminated wood panels of heading 4412. The established Customs practice of classifying these products in heading 4412 was consistent with a court decision, *Boen Hardwood Flooring Inc. v. United States* (357 F.3d 1262 (Fed. Cir. 2004)). Therefore, in order to have a legal basis for following the HSC decision in this regard, Customs asked for a new Additional U.S. Note 4 to Chapter 44 (see app. B), as well as new rate lines in heading 4418 to cover the products in question.

Photo frame albums

Though Customs had a long history of classifying photo albums of plastics as household articles of heading 3924, the HSC recently classified two different samples of such albums in heading 3926 (other articles of plastics). Here again, Customs requested an Additional U.S. Note to chapter 39 and a new rate line for photo albums in heading 3926, in order to provide a sufficient legal basis for classifying these goods in that heading.

PROBABLE ECONOMIC EFFECTS OF PROPOSED MODIFICATIONS

The Commission considers the proposed modifications to be appropriate to provide for the goods concerned under the proper HS headings or subheadings without altering existing Customs tariff treatment. Furthermore, the modifications would not alter existing conditions of competition for the affected U.S. industries, labor or trade. Consequently, the information collected by the Commission

indicates that these modifications, if proclaimed, would ensure substantial rate neutrality and would have little or no significant economic effect on U.S. industry or labor.

APPENDIX A

FEDERAL REGISTER NOTICES CONCERNING THIS INVESTIGATION

The cultural items were collected by LT. George Emmons from southeastern Alaska at an unknown date and were given to the Thomas Burke Memorial Washington State Museum, Seattle, WA, in 1909. LT. Emmons described the items in his catalog notes: "This collection of shaman's articles of practice were found in an old decayed grave house about Icy Straits and belonged to a shaman of the Hoonah kow (Huna) long since deceased."

Museum documentation provides the following descriptions by Lieutenant Emmons of the 12 items.

Arm band (catalog number 938): "Armlet of spruce twigs, bent around and intertwined, worn on the arm above the elbow when dressed for practice."

Headdress ornament (catalog number 939): "Head-dress ornament of wood, shaped to represent the dorsal fin of the killer whale, the lower part is ornamentally carved as the head of the fish. It is painted in native mineral colors, red and graphite."

Rattle fragment (catalog number 940): "Circle of spruce twig, a portion of a circular rattle carried in practice."

Potlatch rings (catalog number 941 and 942): "Two ornaments of finely woven spruce root consisting of a series of four and five cylinders, one above the other, surmounting the Shai-dai-kuke, the smaller and finer type of woven spruce root hat, but sometimes these ornaments surmounted a head dress. They are painted in native mineral colors."

Oyster catcher rattle (catalog number 943): "Spirit rattle of wood, shaped to represent an oyster catcher. On the back is represented a spirit canoe the bow of which is carved as a sculpin. The tentacles of the devil-fish forming the sides and stern. In the canoe is a spirit man having a bears head and holding a Tlingit in his arms. Carried when practicing about the sick and bewitched."

Raven rattle (catalog number 944): "General dance rattle of wood of the Tsimshian type, which is commonly used by the coast people upon ceremonial occasions. In form it represents a raven, on the back is a human figure reclining and in the rear near the handle a raven."

Rattle fragment (catalog number 945): "The fore portion of a spirit rattle, representing the head of a puffin or sea parrot, with the figure of a man in the rear."

Raven rattle fragment (catalog number 946): "Portion of the ornamental back of a rattle representing spirits."

Raven rattle fragment (catalog number 947): "Portion of the ornamental back of a wooden rattle, showing a ravens head and a reclining human figure."

Rattle fragment (catalog number 948): "Portion of a spirit rattle, representing a sculpin."

Knife handle (catalog number 949): "Handle of wood of carving knife."

Consultation evidence provided by representatives of the Hoonah Indian Association indicates that, on the basis of provenience, the 12 cultural items meet the NAGPRA definition of unassociated funerary objects, and that the Hoonah Indian Association has a relationship of shared group identity that can be traced historically and prehistorically between members of a present-day Indian tribe and an identifiable earlier group. Lieutenant Emmons specifically identified the provenience as "an old decayed grave house" and the tribal affiliation as "Hoonah kow (Huna)."

Officials of the Thomas Burke Memorial Washington State Museum have determined that, pursuant to 25 U.S.C. 3001 (3)(B), the 12 cultural items described above are reasonably believed to have been placed with or near individual human remains at the time of death or later as part of the death rite or ceremony and are believed, by a preponderance of the evidence, to have been removed from a specific burial site of a Native American individual. Officials of the Thomas Burke Memorial Washington State Museum also have determined that, pursuant to 25 U.S.C. 3001 (2), there is a relationship of shared group identity that can be reasonably traced between the unassociated funerary objects and the Hoonah Indian Association.

Representatives of any other Indian tribe that believes itself to be culturally affiliated with the unassociated funerary objects should contact Dr. James D. Nason, Chairman, Repatriation Committee, Thomas Burke Memorial Washington State Museum, Box 353010, University of Washington, Seattle, WA 98195-3010, telephone (206) 543-9680, before October 14, 2004. Repatriation of the unassociated funerary objects to the Hoonah Indian Association may proceed after that date if no additional claimants come forward.

The Thomas Burke Memorial Washington State Museum is responsible for notifying the Hoonah Indian Association that this notice has been published.

Dated: August 2, 2004.

Sherry Hutt,

Manager, National NAGPRA Program.

[FR Doc. 04-20654 Filed 9-13-04; 8:45 am]

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INTERNATIONAL TRADE COMMISSION

[Investigation No. 1205-6]

Proposed Modifications to the Harmonized Tariff Schedule of the United States

AGENCY: United States International Trade Commission.

ACTION: Institution of investigation, request for comments.

DATES: Effective September 8, 2004.

SUMMARY: On September 8, 2004, the Commission instituted investigation No. 1205-6, Proposed Modifications to the Harmonized Tariff Schedule of the United States, pursuant to section 1205 of the Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. 3005). Section 1205 directs the Commission to keep the Harmonized Tariff Schedule of the United States (HTS) under continuous review and to recommend to the President modifications to the HTS (1) when amendments to the International Convention on the Harmonized Commodity Description and Coding System (Harmonized System), and the Protocol thereto, are recommended by the World Customs Organization (WCO) (formerly known as the Customs Cooperation Council) for adoption; and (2) as other circumstances warrant. The Commission's report will set forth the proposed changes and indicate the necessary changes in the HTS that would be needed to maintain conformity between the HTS and the International Harmonized System. The report will also include other appropriate explanatory information on the proposed changes. It may additionally recommend modifications to promote uniformity in the application of the HS Convention and also in the presentation of the HTS to alleviate unnecessary administrative burdens. In accordance with section 1206 of the 1988 Act (19 U.S.C. 3006), the President may proclaim the tariff modifications recommended by the Commission, following Congressional layover and consultation.

FOR FURTHER INFORMATION CONTACT:

Eugene A. Rosengarden, Director (202-205-2592), Office of Tariff Affairs and Trade Agreements, U.S. International Trade Commission, Washington, DC 20436. Hearing impaired individuals are advised that information on this investigation can be obtained by contacting the TDD terminal on (202) 205-1810.

Background: The majority of the proposed changes included in this

investigation are the result of the work of the WCO and its Harmonized System Committee (HSC) to update and clarify the Harmonized System nomenclature, as part of the WCO's long-term program to periodically review the nomenclature structure. In accordance with Article 16 of the Harmonized System Convention, the WCO has recommended the adoption of certain modifications to the (HS). The changes are due to become effective in January 2007.

The Commission plans to prepare and make available a draft preliminary report, a preliminary report and a final report. The draft preliminary report will be made available to the public on or about September 15, 2004, in the Office of the Secretary, Room 112, United States International Trade Commission, 500 E Street, SW., Washington DC 20436 (telephone 202-205-2000), and will also be posted on the Commission's Web site, <http://www.usitc.gov>. The draft preliminary report will describe the changes proposed to conform the HTS with the WCO's recommendations, and reflect in the HTS certain other decisions taken by the HSC.

To assist the public in understanding the proposed changes and in developing comments, the Commission will include, in the draft preliminary report, the preliminary report and the final report, a non-authoritative cross-reference table linking the proposed tariff classes to corresponding current tariff classes. Persons using the successive versions of this table should be aware that the cross-references shown in the Commission's table are subject to change during the course of preparing for implementation of the January 2007 changes. The Bureau of Customs and Border Protection has domestic legal authority for tariff classification and may provide information, both during the course of the investigation and after the Commission's final report is submitted, that indicates different or additional tariff classifications of some goods. Moreover, the WCO Secretariat will eventually issue its own advisory cross-reference table between the 2002 HS and the 2007 HS. The WCO table may be released by the Commission later in the Commission's investigation, along with an explanation of differences between the WCO and Commission's tables. Such differences typically result from differences between the WCO and U.S. classifications of goods.

The Commission will forward its preliminary report to the United States Trade Representative (USTR) on or about February 28, 2005. The preliminary report will include proposed modifications to (1) conform

the HTS to recommended Harmonized System amendments, (2) promote uniform application of the Harmonized System by conforming the HTS with decisions of the WCO and (3) alleviate administrative burdens, as well as other matters that may be recommended. It will take into account public comments received by November 1, 2004 (*see below*). The preliminary report will be posted on the Commission's Web site. The public is invited to submit any further comments during the subsequent 30 days; any comments received during that period will be forwarded to the USTR.

In order that it may consider any issues that arise in World Trade Organization negotiations regarding the restatement of U.S. tariff treatment, the Commission is scheduled to submit its final report to the President on March 15, 2006.

Written Submissions: No public hearing is planned. However, interested parties are invited to submit written statements or suggestions concerning the matters being addressed by the Commission on this investigation. Submissions should be addressed to the Secretary, United States International Trade Commission, 500 E Street, SW., Washington, DC 20436. To be assured of consideration by the Commission, written statements related to the Commission's report should be submitted to the Commission at the earliest practical date and should be received no later than the close of business on November 1, 2004. All written submissions must conform with the provisions of section 201.8 of the Commission's Rules of Practice and Procedure (19 CFR 201.8). Section 201.8 of the rules requires that a signed original (or a copy designated as an original) and fourteen (14) copies of each document be filed. In the event that confidential treatment of the document is requested, at least four (4) additional copies must be filed, in which the confidential business information must be deleted (*see the following paragraph for further information regarding confidential business information*). The Commission's rules do not authorize filing submissions with the Secretary by facsimile or electronic means, except to the extent permitted by section 201.8 of the rules (*see Handbook for Electronic Filing Procedures, ftp://ftp.usitc.gov/pub/reports/electronic_filing_handbook.pdf*). Persons with questions regarding electronic filing should contact the Secretary (202-205-2000 or edis@usitc.gov).

Any submissions that contain confidential business information (CBI)

must also conform with the requirements of section 201.6 of the Commission's rules (19 CFR 201.6). Section 201.6 of the rules requires that the cover of the document and the individual pages clearly be marked as to whether they are the "confidential" or "non-confidential" version, and that the CBI be clearly identified by means of brackets. All written submissions, except for CBI, will be made available for inspection by interested parties.

The Commission may include some or all of the CBI it receives in the preliminary and final reports it sends to the President. However, the Commission will not publish CBI in the public version of the final report in a manner that could reveal the operation of the firm supplying the information. The public version of the final report will be made available to the public on the Commission's Web site.

Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000. General information concerning the Commission may also be obtained by accessing the above mentioned Internet site.

List of Subjects

Tariffs/HTS, Harmonized System, WCO, and Imports.

By order of the Commission.

Issued: September 9, 2004.

Marilyn R. Abbott,

Secretary to the Commission.

[FR Doc. 04-20675 Filed 9-13-04; 8:45 am]

BILLING CODE 7020-02-P

DEPARTMENT OF JUSTICE

Bureau of Alcohol, Tobacco, Firearms and Explosives

[Docket No. ATF 12N; ATF O 1120.4]

Delegation Order—Authority To Make Determinations on Applications for Relief From Federal Firearms and/or Explosives Disabilities

1. *Purpose.* This order delegates certain authorities of the Director to subordinate Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) officials to make determinations on applications for relief from Federal firearms and/or explosives disabilities.

2. *Cancellation.* This order cancels ATF 1100.75C, Delegation Order—Authority to Make Determinations on Applications for Restoration of Federal Firearms and/or Explosives Privileges, dated 9/17/2003.

Appendix B

TABLE OF CONTENTS

“Chapter 54 Man-made filaments” is replaced by “Chapter 54 Man-made filaments; strip and the like of man-made textile materials”.

CHAPTER 1

01-1. Subheadings 0105.92.00 and 0105.93.00 are superseded by the following:

[Live poultry of the following kinds: Chickens, ...]			
[Other:]			
“0105.94.00	Chickens	2¢/kg	Free (A+,AU,CA,CL, D,E,IL,J,JO,MX,SG)”

CHAPTER 2

02-1. Subheading 0208.20.00 is deleted.

02-2. The following new subheading 0208.90.25 is inserted in numerical sequence:

[Other meat and edible meat offal, fresh, ...]			
[Other:]			
“0208.90.80	Frogs’ legs	Free	10%”

02-3. The superior text immediately preceding subheading 0210.91.00 is replaced by the following:

“Other, including edible flours and meals of meat or meat offal:”

CHAPTER 3

03-1. (a) The following new subheadings 0301.94.00 and 0301.95.00 are inserted in numerical sequence:

[Live fish:]			
[Other live fish:]			
“0301.94.00	Bluefin tunas (<u>Thunnus thynnus</u>)	Free	Free
0301.95.00	Southern bluefin tunas (<u>Thunnus</u> <u>maccoyii</u>)	Free	Free”

(b) Subheading 0301.99.00 is renumbered as 0301.99.01.

Appendix B

- 03-2. (a) The following new subheadings 0302.67.00 and 0302.68.00 are inserted in numerical sequence:

[Fish, fresh or chilled...]			
[Other fish, excluding livers and roes:]			
“0302.67.00	Swordfish (<u>Xiphias gladius</u>)	Free	2.2¢/kg
0302.68.00	Toothfish (<u>Dissostichus</u> spp.)	Free	2.2¢/kg”

- (b) Subheadings 0302.69.20 and 0302.69.40 are renumbered as 0302.69.21 and 0302.69.41, respectively.

- 03-3. (a) Subheadings 0303.50.00 and 0303.60.00 are superseded by the following:

[Fish, frozen, excluding fish fillets...]			
“Herrings (<u>Clupea harengus</u> , <u>Clupea pallasii</u>), and cod (<u>Gadus morhua</u> , <u>Gadus ogac</u> , <u>Gadus macrocephalus</u>), excluding livers and roes:			
0303.51.00	Herrings (<u>Clupea harengus</u> , <u>Clupea pallasii</u>)	Free	Free
0301.52.00	Cod (<u>Gadus morhua</u> , <u>Gadus ogac</u> , <u>Gadus macrocephalus</u>)	Free	2.2¢/kg
Swordfish (<u>Xiphias gladius</u>) and Toothfish (<u>Dissostichus</u> spp.), excluding livers and roes:			
0303.61.00	Swordfish (<u>Xiphias gladius</u>)	Free	2.2¢/kg
0303.62.00	Toothfish (<u>Dissostichus</u> spp.)	Free	2.2¢/kg”

- (b) Subheadings 0303.79.20 and 0303.79.40 are renumbered as 0303.79.21 and 0303.79.41, respectively.

- 03-4. Subheadings 0304.10 through 0304.90.90 are superseded by the following:

[Fish, fillets and other fish meat...]			
“Fresh or chilled:			
0304.11.00	Swordfish (<u>Xiphias gladius</u>)	Free	5.5¢/kg
0304.12.00	Toothfish (<u>Dissostichus</u> spp.)	Free	5.5¢/kg
0304.19.00	Other	Free	5.5¢/kg
Frozen fillets:			
0304.21.00	Swordfish (<u>Xiphias gladius</u>)	Free	5.5¢/kg
0304.22.00	Toothfish (<u>Dissostichus</u> spp.)	Free	5.5¢/kg
0304.29.00	Other	Free	5.5¢/kg
Other:			
0304.91.00	Swordfish (<u>Xiphias gladius</u>)	Free	5.5¢/kg
0304.92.00	Toothfish (<u>Dissostichus</u> spp.)	Free	5.5¢/kg
0304.99	Other:		
0304.99.10	In bulk or in immediate containers weighing with their contents over 6.8 kg each	Free	2.8¢/kg
0304.99.90	Other	6%	Free (A,AU,CA,CL, CL,E,IL,J,JO,MX, SG)” 25%

Appendix B

CHAPTER 4

04-1. Subheading note 1 to chapter 4 is amended by deleting the expression "i.e.," and substituting "that is,".

04-2. The article description of subheading 0406.40 is superseded by the following:

"Blue-veined cheese and other cheese containing veins produced by Penicillium roqueforti:"

CHAPTER 5

05-1. Headings 0503.00.00 and 0509.00.00 are deleted.

05-2. The following new subheadings 0511.99.33 and 0511.99.36 are inserted in numerical sequence:

[Animal products not elsewhere specified...]			
[Other:]			
[Other:]			
"0511.99.33	Horsehair and horsehair waste, whether or not put up as a layer with or without supporting material . .	Free	Free
0511.99.36	Natural sponges of animal origin	3%	Free (A+,AU,CA, CL,D,E,IL,J,JO, MX,SG)"

CHAPTER 6

06-1. Subheadings 0603.10 through 0603.10.80 are superseded by the following:

[Cut flowers and flower buds,...]			
"Fresh:			
0603.11.00	Roses	6.8%	Free (CA,CL,D,E,IL,J, JO,MX,SG) 4.7% (AU)
0603.12	Carnations:		
0603.12.30	Miniature (spray) carnations	3.2%	Free (A,AU,CA,CL, E,IL,J,JO,MX,SG)
0603.12.70	Other	6.4%	Free (A*,CA,CL,E, IL,J,JO,MX,SG) 1.6% (AU)
0603.13.00	Orchids	6.4%	Free (A*,CA,CL,E, IL,J,JO,MX,SG) 1.6% (AU)
0603.14.00	Chrysanthemums	6.4%	Free (A*,CA,CL,E, IL,J,JO,MX,SG) 1.6% (AU)
0603.19.00	Other	6.4%	Free (A,CA,CL,E, IL,J,JO,MX,SG) 1.6% (AU)"

CHAPTER 7

07-1. Subheadings 0709.10.00 and 0709.52.00 are deleted.

Appendix B

07-2. Subheading 0709.59.00 is superseded by the following:

[Other vegetables, fresh or chilled:]				
[Mushrooms and truffles:]				
"0709.59	Other:			
0709.59.10	Truffles	Free		Free
0709.59.90	Other	8.8¢/kg + 20%	Free (A+,CA,D,E,IL, J,JO,MX) 5.2¢/kg + 12% (CL,SG) 7.3¢/kg + 16.6% (AU)"	22¢/kg + 45%

07-3. Subheading 0709.90.91 is superseded by the following:

[Other vegetables, fresh or chilled:]				
[Other:]				
"Other:				
0709.90.92	Globe artichokes	11.3%	Free (A*,CA,E,IL, J,JO,MX) 5.6% (SG) 6.7% (CL) 7.9% (AU)	50%
0709.90.96	Other	20%	Free (A+,CA,D,E,IL, J,JO,MX) 10% (SG) 16.6% (AU) See 9911.95.26- 9911.95.30 (CL)"	50%

07-4. Subheading 0711.30.00 is deleted.

07-5. The following new subheading 0711.90.30 is inserted in numerical sequence:

[Vegetables provisionally preserved...]				
[Other vegetables; mixtures of vegetables:]				
"0711.90.30	Capers	8%	Free (A,CA,CL,E, IL,J,JO,MX,SG) 2% (AU)"	20%

CHAPTER 8

08-1. Subparagraphs (a) and (b) of note 3 to chapter 8 are amended by deleting the expression "e.g.," and substituting "for example,".

08-2. The following new subheadings 0802.60, 0802.60.40 and 0802.60.80 are inserted in numerical sequence:

[Other nuts, fresh or dried...]				
Macadamia nuts:				
"0802.60	In shell	1.3¢/kg	Free (A*,AU,CA,CL, E,IL,J,JO,MX,SG)	5.5¢/kg
0802.60.40	Shelled	5¢/kg	Free (A+,AU,CA,CL, D,E,IL,J,JO,MX,SG)"	11¢/kg

Appendix B

- 08-3. Subheadings 0802.90.80 and 0802.90.98 are renumbered as 0802.90.81 and 0802.90.97, respectively.
- 08-4. The article description of subheading 0805.40 is amended by replacing the expression "Grapefruit:" by "Grapefruit, including pomelos:".
- 08-5. Subheading 0810.30.00 is deleted.
- 08-6. Subheading 0810.90.25 is renumbered as 0810.90.26 and the article description of that subheading is replaced by the following:

"Black, white or red currants; gooseberries (other than kiwifruit) and other berries; tamarinds"

CHAPTER 9

- 09-1. Subheading 0906.10.00 is superseded by the following:

[Cinnamon and cinnamon-tree flowers:]			
"Neither crushed nor ground:			
0906.11.00	Cinnamon (<u>Cinnamomum zeylanicum</u> Blume)	Free	Free
0906.19.00	Other	Free	Free"

- 09-2. Subheadings 0910.40 through 0910.50.00 are deleted.

- 09-3. The following subheadings 0910.99.05, 0910.99.06, 0910.99.07 and 0910.99.10 are inserted in numerical sequence:

[Ginger, saffron,...]			
[Other spices:]			
[Other:]			
"Thyme; bay leaves:			
0910.99.05	Crude or not manufactured	Free	Free
Other:			
0910.99.06	Thyme	4.8%	Free (A,AU,CA,CL, E,IL,J,JO,MX,SG) 25%
0910.99.07	Bay leaves	3.2%	Free (A+,AU,CA,CL, D,E,IL,J,JO,MX,SG) 25%
0910.99.10	Curry	Free	11¢/kg"

CHAPTER 11

- 11-1. Subheading 1102.30.00 is deleted.
- 11-2. The following new subheading 1102.90.25 is inserted in numerical sequence:

[Cereal flours other than of wheat or meslin:]			
[Other:]			
"1102.90.25	Rice flour	0.09¢/kg	Free (A,AU,CA,CL, E,IL,J,JO,MX,SG)" 1.4¢/kg

Appendix B

CHAPTER 12

- 12-1. Subheadings 1207.10.00, 1207.30.00 and 1207.60.00 are deleted.
- 12-2. Subheading 1207.99.01 is renumbered as 1207.99.02.
- 12-3. Subheading 1209.26.00 is deleted.
- 12-4. Subheading 1209.29.90 is renumbered as 1209.29.91.
- 12-5. Subheading 1211.10.00 is deleted.
- 12-6. Subheading 1211.90.90 is renumbered as 1211.90.91.
- 12-7. Subheading 1212.10.00 is deleted.
- 12-8. Subheadings 1212.30.10 and 1212.30.90 and the superior text immediately preceding these subheadings are deleted.
- 12-9. The following new subheadings 1212.99.20 and 1212.99.30 (and superior text thereto) are inserted in numerical sequence:

	[Locust beans, seaweeds and other algae...]		
	[Other:]		
	[Other:]		
	“Apricot, peach (including nectarine)		
	or plum stones and kernels:		
1212.99.20	Nectarine	Free	4.4¢/kg
1212.99.30	Other	1.5¢/kg	Free (A+,AU,CA,CL, D,E,IL,J,JO,MX,SG)” 6.6¢/kg

- 12-10. Subheading 1212.99.90 is renumbered as 1212.99.91.

CHAPTER 13

- 13-1. Subheadings 1301.10.00 and 1302.14.00 are deleted.
- 13-2. Subheadings 1301.90.90 and 1302.19.90 are renumbered as 1301.90.91 and 1302.19.91, respectively.

Appendix B

CHAPTER 14

14-1. Notes 3 and 4 are superseded by the following:

“3. Heading 14.04 does not apply to wood wool (heading 4405) and prepared knots or tufts for broom or brush making (heading 9603).”

14-2. Subheadings 1402.00 through 1403.00.94 are deleted.

14-3. Subheading 1404.10.00 is deleted.

14-4. Subheading 1404.90.00 is superseded by the following:

[Vegetable products not elsewhere specified...]				
“1404.90	Other:			
1404.90.10	Vegetable hair	0.5¢/kg	Free (A+,AU,CA,CL, D,E,IL,J,JO,MX,SG)	2.2¢/kg
	Vegetable materials of a kind used primarily in brooms or in brushes (for example, broomcorn, piassava, couch grass and istle), whether or not in hanks or bundles:			
1404.90.20	Broomcorn (Sorghum vulgare var. technicum)	\$4.95/t	Free (A+,AU,CA,CL, D,E,IL,J,JO,MX,SG)	\$22/t
1404.90.30	Istle	Free		Free
1404.90.40	Other	2.3%	Free (A,AU,CA,CL, E,IL,J,JO,MX,SG)	20%
1404.90.90	Other	Free		Free”

CHAPTER 15

15-1. Subheading 1515.40.00 is deleted.

15-2. Subheading 1515.90.20 is renumbered as 1515.90.21.

CHAPTER 19

19-1. Note 3 to chapter 19 is amended by deleting the expression “coated with chocolate” and substituting “completely coated with chocolate”.

CHAPTER 20

20-1. (a) Subparagraph (b) of note 1 to chapter 20 is amended by deleting the word “or” at the end .

(b) Subparagraph (c) of note 1 to chapter 20 is redesignated as (d).

(c) The following new subparagraph of note 1 to chapter 20 is inserted in alphabetical sequence:

“(c) Bakers’ wares and other products of heading 1905; or”

Appendix B

20-2. Subheadings 2005.90 through 2005.90.97 are superseded by the following:

[Other vegetables prepared or preserved...]				
"Other vegetables and mixtures of vegetables:				
2005.91	Bamboo shoots:			
2005.91.60	In airtight containers	Free		35%
2005.91.97	Other	11.2%	Free (A,CA,E,IL,J,JO, MX) 5.6% (SG) 7.8% (AU) See 9911.77.07- 9911.77.08 (CL)	35%
2005.99	Other:			
2005.99.10	Carrots in airtight containers	6.4%	Free (A,CA,CL,E, IL,J,JO,MX,SG) 1.6% (AU)	35%
2005.99.20	Onions	4.5%	Free (A,AU,CA,CL, E,IL,J,JO,MX,SG)	35%
2005.99.30	Sauerkraut	4.8%	Free (A+,AU,CA,CL, D,E,IL,J,JO,MX,SG)	50%
2005.99.41	Water chestnuts, other than Chinese water chestnuts	Free		35%
	Fruits of the genus Capsicum (peppers) or of the genus Pimenta (e.g., allspice):			
2005.99.50	Pimientos (Capsicum anuum) . . .	8.1%	Free (A+,CA,CL,D,E, IL,J,JO,MX,SG) 5.6% (AU)	38.5%
2005.99.55	Other	14.9%	Free (A,CA,E,IL, J,JO,MX) 7.4% (SG) 12.3% (AU) See 9911.77.05- 9911.77.06 (CL)	35%
2005.99.80	Artichokes	14.9%	Free (A+,CA,D,E, IL,J,JO,MX) 7.4% (SG) 12.3% (AU) See 9911.20.05- 9911.20.15 (CL)	35%
2005.99.85	Chickpeas (garbanzos)	0.8¢/kg on entire contents of container	Free (A,AU,CA,CL, E,IL,J,JO,MX,SG)	4.4¢/kg on entire contents of container
2005.99.97	Other	11.2%	Free (A,CA,E,IL,J,JO, MX) 5.6% (SG) 7.8% (AU) See 9911.77.07- 9911.77.08 (CL)	35%

20-3. The superior text immediately preceding subheading 2009.21 is superseded by the following:

 "Grapefruit (including pomelo) juice"

CHAPTER 22

Appendix B

22-1. Note 1(c) to chapter 22 is amended by replacing the expression “(heading 2851)” by “(heading 2853)”.

22-2. The article description of subheading 2208.40 is superseded by the following:

“Rum and other spirits obtained by distilling fermented sugar-cane products”

CHAPTER 23

23-1. Subheadings 2302.20.00 and 2306.70.00 are deleted.

23-2. Subheadings 2302.40.00 and 2306.90.00 are renumbered as 2302.40.01 and 2306.90.01, respectively.

CHAPTER 25

25-1. Subheadings 2506.21.00 and 2506.29.00 and the superior text immediately preceding these subheadings are superseded by the following:

	[Quartz (other than natural sands) ...]		
“2506.20.00	Quartzite	Free	Free”

25-2. Subheading 2508.20.00 is deleted and 2508.40.00 is redesignated as 2508.40.01

25-3. Subheadings 2513.11.00 and 2513.19.00 and the superior text immediately preceding these subheadings are superseded by the following:

	[Pumice; emery; natural corundum; natural ...]		
“2513.10.00	Pumice stone	Free	Free”

25-4. Subheadings 2516.21.00 and 2516.22.00 and superior text immediately preceding these subheadings are superseded by the following:

	[Granite, porphyry, basalt, sandstone ...]		
“2516.20	Sandstone:		
2516.20.10	Crude or roughly trimmed	Free	\$5.30/m ³
2516.20.20	Merely cut, by sawing or otherwise, into blocks or slabs of a rectangular (including square) shape	3%	Free (A,AU,CA,CL, E,IL,J,JO,MX,SG)” 50%

25-5. Heading 2524.00.00 is superseded by the following:

“2524	Asbestos:		
2524.10.00	Crocidolite (Blue)	Free	Free
2524.90.00	Other	Free	Free”

Appendix B

CHAPTER 26

26-1. Note 3 to chapter 26 is superseded by the following:

“3. Heading 2620 applies only to:

- (a) Slag, ash and residues of a kind used in industry either for the extraction of metals or as a basis for the manufacture of chemical compounds of metals, excluding ash and residues from the incineration of municipal waste (heading 2621); and
- (b) Slag, ash and residues containing arsenic, whether or not containing metals, of a kind used either for the extraction of arsenic or metals or for the manufacture of their chemical compounds.”

26-2. Subheading note 2 to chapter 26 is amended by replacing “Ash” by “Slag, ash”.

26-3. The article description of heading 2620 is amended by replacing “Ash” by “Slag, ash”.

CHAPTER 27

27-1. Subheading note 3 to Chapter 27 is superseded by the following:

- “3. For the purposes of subheadings 2707.10, 2707.20, 2707.30 and 2707.40, the terms “benzol (benzene)”, “toluol (toluene)”, “xylol (xylenes)” and “naphthalene” apply to products which contain more than 50 percent by weight of benzene, toluene, xylenes or naphthalene, respectively.”

27-2. (a) Subheadings 2707.60 and 2707.60.05 through 2707.60.90 are deleted.

- (b) The following new subheadings 2707.99.51, 2707.99.55 and 2707.99.59 are inserted in numerical sequence:

[Oils and other products of the distillation of high temperature coal tar...]

[Other:]

“Phenols:

2707.99.51	Containing more than 50 percent by weight of hydroxybenzene.	2.9¢/kg + 12.5%	Free (A,AU,CA,CL, E,IL,J,MX)	7.7¢/kg + 29.5%
2707.99.55	Metacresol, orthocresol, paracresol and metaparcresol, all the foregoing having a purity of 75 percent or more by weight.	0.9¢/kg + 3%	Free (A,AU,CA,CL,E, IL,J,JO,MX,SG)	15.4¢/kg + 42.5%
2707.99.59	Other	Free		Free”

- (c) Subheading 2707.99.50 is renumbered as 2707.99.90.

SECTION VI

IV-1. Note 1(b) to section VI is superseded by the following:

- “(b) Subject to paragraph (a) above, goods answering to a description in heading 2843, 2846 or 2852 are to be classified in those headings and in no other heading of this Section.”

Appendix B

CHAPTER 28

28-1. The introductory paragraph of note 2 to chapter 28 is superseded by the following:

- “2. In addition to dithionites and sulfoxylates, stabilized with organic substances (heading 2831), carbonates and peroxocarbonates or inorganic bases (heading 2836), cyanides, cyanide oxides and complex cyanides of inorganic bases (heading 2837), fulminates, cyanates and thiocyanates, of inorganic bases (heading 2842), organic products included in headings 2843 to 2846 and 2852 and carbides (heading 2849), only the following compounds of carbon are to be classified in this chapter:”

28-2. Note 2(e) to chapter 28 is amended by replacing “(heading 2851)” by “(heading 2853)”.

28-3. (a) Subheading 2811.23.00 is deleted.

(b) The following new subheading 2811.29.30 is inserted in numerical sequence:

[Other inorganic acids and other inorganic...]			
[Other inorganic oxygen compounds...]			
[Other:]			
“2811.29.30	Sulfur dioxide.	4.2%	Free (A*,AU,CA,CL, 25% E,IL,J,JO,MX,SG)”

28-4. (a) Subheading 2824.20.00 is deleted.

(b) The following new subheading 2824.90.20 is inserted in numerical sequence:

[Lead oxides; red lead and orange lead:]			
[Other:]			
“2824.90.20	Red lead and orange lead.	3.4%	Free (A*,AU,CA,CL, 12.5% E,IL,J,JO,MX,SG)”

28-5. (a) Subheadings 2826.11, 2826.11.10 and 2826.11.50 are deleted.

(b) Subheading 2826.19.00 is superseded by the following:

[Fluorides; fluorosilicates, fluoroaluminates...]			
[Fluorides:]			
“Other:			
2826.19.10	Of ammonium.	3.1%	Free (A*,AU,CA,CL, 25% E,IL,J,JO,MX,SG)
2826.19.20	Of sodium.	3.7%	Free (A*,AU,CA,CL, 25% E,IL,J,JO,MX,SG)
2826.19.90	Other.	3.9%	Free (A*,AU,CA,CL, 25% E,IL,J,JO,MX,SG)”

Appendix B

28-6. (a) Subheading 2826.20.00 is deleted.

(b) Subheading 2826.90.00 is superseded by the following:

[Fluorides; fluorosilicates, fluoroaluminates...]			
"Other:			
2826.90.10	Fluorosilicates of sodium or of potassium	4.1%	Free (A*,AU,CA,CL, 62.5% E,IL,J,JO,MX,SG)
2826.90.90	Other	3.1%	Free (A*,AU,CA,CL, 25% E,IL,J,JO,MX,SG)"

28-7. (a) Subheadings 2827.33.00, 2827.34.00 and 2827.36.00 are deleted.

(b) The following new subheadings 2827.39.55, 2827.39.60 and 2827.39.65 are inserted in numerical sequence:

[Chlorides, chloride oxides and chloride...]			
[Other chlorides:]			
[Other:]			
"2827.39.55	Of iron	3.7%	Free (A*,AU,CA,CL, 25% E,IL,J,JO,MX,SG)
2827.39.60	Of cobalt	4.2%	Free (A*,AU,CA,CL, 30% E,IL,J,JO,MX,SG)
2827.39.65	Of zinc	1.6%	Free (A*,AU,CA,CL, 5% E,IL,J,JO,MX,SG)"

(c) Subheading 2827.39.50 is renumbered as 2827.39.90.

28-8. (a) Subheadings 2830.20 and 2830.20.10 through 2830.30.00 are deleted.

(b) Subheading 2830.90.00 is superseded by the following:

[Sulfides; polysulfides, whether or not...]			
"Other:			
2830.90.10	Zinc sulfide, luminescent grade having a purity of 99.99 percent or more by weight .	Free	11%
2830.90.15	Other zinc sulfide	2.8%	Free (A*,AU,CA,CL, 11% E,IL,J,JO,MX,SG)
2830.90.20	Cadmium sulfide	3.1%	Free (A*,AU,CA,CL, 25% E,IL,J,JO,MX,SG)
2830.90.90	Other	3%	Free (A*,AU,CA,CL, 25% E,IL,J,JO,MX,SG)"

Appendix B

28-9. (a) Subheadings 2833.23.00 and 2833.26.00 are deleted.

(b) The following new subheadings 2833.29.40 and 2933.29.45 are inserted in numerical sequence:

[Sulfates; alums; peroxosulfates (persulfates):]			
[Other sulfates:]			
[Other:]			
"2833.29.40	Of chromium	3.7%	Free (A*,AU,CA,CL, 25% E,IL,J,JO,MX,SG)
2833.29.45	Of zinc	1.6%	Free (A*,AU,CA,CL, 8% E,IL,J,JO,MX,SG)"

28-10. (a) Subheading 2835.23.00 is deleted.

(b) The following new subheading 2835.29.30 is inserted in numerical sequence:

[Phosphinates (hypophosphites), phosphonates...]			
[Phosphates:]			
[Other:]			
"2835.29.30	Of trisodium	2.2%	Free (A*,AU,CA,CL, 11.5% E,IL,J,JO,MX,SG)"

28-11. (a) Subheadings 2836.10.00 and 2836.70.00 are deleted.

(b) The following new subheadings 2836.99.30 and 2836.90.40 are inserted in numerical sequence:

[Carbonates; peroxocarbonates (percarbonates)...]			
[Other:]			
[Other:]			
"2836.99.30	Commercial ammonium carbonate and other ammonium carbonates	1.7%	Free (A*,AU,CA,CL, 16% E,IL,J,JO,MX,SG)
2836.99.40	Lead carbonates	0.5%	Free (A*,AU,CA,CL, 4.5% E,IL,J,JO,MX,SG)"

28-12. (a) Heading 2838.00.00 is deleted.

(b) Subheading 2842.90.00 is superseded by the following:

[Other salts of inorganic acids or ...]			
Other:			
"2842.90			
2842.90.10	Fulminates, cyanates and thiocyanates	3.1%	Free (A*,AU,CA,CL, 25% E,IL,J,JO,MX,SG)
2842.90.90	Other	3.3%	Free (A*,AU,CA,CL, 25% E,IL,J,JO,MX,SG)"

28-13. (a) Subheading 2839.20.00 is deleted.

(b) Subheading 2839.90.00 is renumbered as 2839.90.01.

Appendix B

28-14. (a) Subheadings 2841.10.00 and 2841.20.00 are deleted.

(b) The following new subheadings 2841.90.40 and 2841.90.45 are inserted in numerical sequence:

[Salts of oxometallic or peroxometallic acids:]			
[Other:]			
“2841.90.40	Aluminates	3.1%	Free (A*,AU,CA,CL, 25% E,IL,J,JO,K,MX,SG)
2841.90.45	Chromates of zinc or of lead	3.7%	Free (A*,AU,CA,CL, 25% E,IL,J,JO,MX,SG)”

28.15. (a) The following new heading 2852 and subheadings 2852.00.10 and 2852.00.90 are inserted in numerical sequence:

“2852.00	Compounds, inorganic or organic, of mercury, excluding amalgams:		
2852.00.10	Mercuric oxide, mercuric cyanide, mercuric oxycyanide and mercuric potassium cyanide	Free	25%
2852.00.90	Other	3%	Free (A,AU,CA,CL, 25% E,IL,J,JO,MX,SG)”

(b) Subheadings 2825.90.45, 2827.39.20 and 2931.00.27 are deleted.

(c) Heading 2851.00.00 is renumbered as 2853.00.00.

CHAPTER 29

29-1 Notes 5(a), 5(b), 5(c), 5(d) and 5(e) to chapter 29 are relettered as 5(A), 5(B), 5(C), 5(D) and 5(E), respectively.

29-2. (a) Note 5(c)(1) (relettered as 5(C)(1)) is amended by deleting the word “and” at the end of the subparagraph.

(b) Note 5(c)(2) (relettered as 5(C)(2)) is amended by deleting the period at the end of the subparagraph and substituting “; and”.

(c) The following new note 5(C)(3) is inserted:

“(3) Co-ordination compounds, other than products classifiable in subchapter XI or heading 2941, are to be classified in the heading which occurs last in numerical order in chapter 29, among those appropriate to the fragments formed by “cleaving” of all metal bonds, other than metal-carbon bonds.”

29-3. The first paragraph of note 6 to chapter 29 is superseded by the following:

“The compounds of headings 2930 and 2931 are organic compounds the molecules of which contain, in addition to atoms of hydrogen, oxygen or nitrogen, atoms of other nonmetals or of metals (such as sulfur, arsenic or lead) directly linked to carbon atoms.”

Appendix B

29-4. (a) In the notes to chapter 29, the term “Subheading Note” is amended to read “Subheading Notes”.

(b) The following new subheading note 2 is inserted:

“2. Note 3 to chapter 29 does not apply to the subheadings of this chapter.”

29-5. The article description of subheading 2903.15.00 is superseded by the following:

“Ethylene dichloride (ISO) (1,2-dichloroethane)”

29-6. Subheadings 2903.30 and 2903.30.05 through 2903.30.20 are superseded by the following:

[Halogenated derivatives of hydrocarbons:]				
“Fluorinated, brominated or iodinated				
derivatives of acyclic hydrocarbons:				
2903.31.00	Ethylene dibromide (ISO) (1,2-dibromoethane)	5.4%	Free (A+,AU,CA,CL, D,E,IL,J,JO,MX,SG)	46.3%
2903.39	Other:			
2903.39.15	Acetylene tetrabromide; Alkyl bromides; Methylene dibromide; and Vinyl bromide	Free		25%
2903.39.20	Other	3.7%	Free (A*,AU,CA,CL, E,IL,J,JO,K,MX,SG)”	25%

29-7. The article description of subheading 2903.51.00 is superseded by the following:

“1,2,3,4,5,6-Hexachlorocyclohexane (HCH (ISO)), including lindane (ISO, INN)”

29-8. (a) The following new subheading 2903.52.00 is inserted in numerical sequence:

[Halogenated derivatives of hydrocarbons:]				
[Halogenated derivatives of cyclanic...]				
“2903.52.00	Aldrin (ISO), chlordane (ISO) and heptachlor (ISO)	5.5%	Free (A*,AU,CA,CL, E,IL,J,JO,MX,SG)	15.4€/kg + 64.5%”

(b) Subheading 2903.59.10 is renumbered as 2903.59.11.

29-9. The article description of subheading 2903.62.00 is superseded by the following:

“Hexachlorobenzene (ISO) and DDT (ISO) (clofenotane (INN), 1,1,1-trichloro-2,2-bis(*p*-chlorophenyl)ethane)”

Appendix B

29-10. (a) Subheading 2905.15.00 is deleted.

(b) Subheading 2905.19.00 is superseded by the following:

[Acyclic alcohols and their halogenated....]			
[Saturated monohydric alcohols:]			
"2905.19	Other:		
2905.19.10	Pentanol (Amyl alcohol) and isomers thereof	5.5%	Free (A*,AU,CA,CL, E,IL,J,JO,MX,SG)
2905.19.90	Other	3.7%	Free (A*,AU,CA,CL, E,IL,J,JO,K,MX,SG)"
			37.5%
			25%

29-11. (a) Subheading 2906.14.00 is deleted.

(b) Subheading 2906.19.50 is renumbered as 2906.19.55.

29-12. (a) Subheading 2907.14.00 is deleted.

(b) Subheading 2907.19.60 is superseded by the following:

[Phenols; phenol-alcohols:]			
[Monophenols:]			
"2907.19.61	2- <i>tert</i> -Butylethylphenol; 6- <i>tert</i> -Butyl-2,4-xlenol; and Xlenols and their salts	Free	15.4¢/kg + 44%"

29-13. Subheadings 2908.10 and 2908.10.05 through 2908.10.60 are superseded by the following:

[Halogenated, sulfonated, nitrated, or...]			
"Derivatives containing only halogen substituents and their salts:			
2908.11.00	Pentachlorophenol (ISO)	5.5%	Free (A*,AU,CA,CL, E,IL,J,JO,MX,SG)
2908.19	Other:		
2908.19.05	2,2-Bis(4-hydroxyphenyl)- 1,1,1,3,3,3-hexafluoropropane	Free	15.4¢/kg + 62%
2908.19.10	6-Chloro- <i>m</i> -cresol [OH=1]; <i>m</i> -Chlorophenol; and Chlorothymol	5.5%	Free (A+,AU,CA,CL, D,E,IL,J,JO,K, MX,SG)
2908.19.15	3-Hydroxy- α , α , α -trifluorotoluene ...	5.5%	Free (A*,AU,CA,CL, E,IL,J,JO,MX,SG)
2908.19.20	Salts of pentachlorophenol; and 2,4,5-Trichlorophenol and its salts ...	5.5%	Free (A*,AU,CA,CL, E,IL,J,JO,MX,SG)
2908.19.25	Tetrabromobisphenol A	5.5%	Free (A+,AU,CA,CL, E,IL,J,JO,MX)
			0.1¢/kg + 4.1% (SG)
			15.4¢/kg + 40%
			15.4¢/kg + 67.5%
			15.4¢/kg + 62%
			15.4¢/kg + 40%
			15.4¢/kg + 62%

Appendix B

Other:			
2908.19.35	Products described in additional U.S. note 3 to section VI	5.5%	Free (A+,AU,CA,CL,D, 15.4¢/kg + E,IL,J,JO,K,MX,SG) 62%
2908.19.60	Other	5.5%	Free (A+,AU,CA,CL,D, 15.4¢/kg + E,IL,J,JO,K,MX,SG) 62%

29-14. (a) Subheadings 2908.20 and 2908.20.04 through 2908.20.60 are deleted.

(b) Subheadings 2908.90 and 2908.90.04 through 2908.90.50 are superseded by the following:

[Halogenated, sulfonated, nitrated, or...]			
“Other:			
2908.91.00	Dinoseb (ISO) and its salts	5.5%	Free (A*,AU,CA,CL, 15.4¢/kg + E,IL,J,JO,MX,SG) 48.5%
Other:			
2908.99	Derivatives containing only sulfo groups, their salts and esters:		
2908.99.03	2,5-Dihydroxybenzene-sulfonic acid, potassium salt; 3,6-Dihydroxy-2,7-naphthalenedisulfonic acid; 3,6-Dihydroxy-2,7-naphthalenedisulfonic acid, sodium salt; 4-Hydroxy-1-naphthalenedisulfonic acid, sodium salt; 1-Naphthol-3,6-disulfonic acid; and 2-Naphthol-3,6-disulfonic acid and its salts	5.5%	Free (A+,AU,CA,CL, D,E,IL,J,JO,K, MX,SG) 45.5%
2908.99.06	4-Hydroxy-1-naphthalene-sulfonic acid (1-Naphthol-4-sulfonic acid)	Free	15.4¢/kg + 45.5%
2908.99.09	1,8-Dihydroxynaphthalene-3,6-disulfonic acid and its disodium salt	5.5%	Free (A*,AU,CA,CL, E,IL,J,JO,MX) 62% 0.1¢/kg + 4.1% (SG)
Other:			
2908.99.12	Products described in additional U.S. note 3 to section VI	5.5%	Free (A+,AU,CA,CL,D, E,IL,J,JO,K,L,MX,SG) 62%
2908.99.15	Other	5.5%	Free (A+,AU,CA,CL,D, E,IL,J,JO,K,L,MX) 62% 0.1¢/kg + 4.1% (SG)

Appendix B

Other:			
2908.99.20	<i>p</i> -Nitrophenol	5.5%	Free (A*,AU,CA,CL,E, 15.4¢/kg + IL,J,JO,MX,SG) 51.5%
2908.99.25	Other nitrophenols	5.5%	Free (A+,AU,CA,CL,D, 15.4¢/kg + E,IL,J,JO,K,MX,SG) 51.5%
Dinitro- <i>o</i> -cresol and 4-nitro- <i>m</i> -cresol:			
2908.99.30	4,6-Dinitro- <i>o</i> -cresol	5.5%	Free (A*,AU,CA,CL, 15.4¢/kg + E,IL,J,JO,MX,SG) 45.5%
2908.99.35	Other	5.5%	Free (A+,AU,CA,CL, 15.4¢/kg + D,E,IL,J,JO,MX,SG) 45.5%
2908.99.40	Dinitrobutylphenol and its salts	5.5%	Free (A*,AU,CA,CL, 15.4¢/kg + E,IL,J,JO,MX,SG) 48.5%
Other:			
2908.99.80	Products described in additional U.S. note 3 to section VI	5.5%	Free (A+,AU,CA,CL, 15.4¢/kg + D,E,IL,J,JO,MX,SG) 62%
2908.99.90	Other	5.5%	Free (A+,AU,CA,CL, 15.4¢/kg + E,E,IL,J,JO,MX) 62% 0.1¢/kg + 4.1% (SG)"

29-15. (a) Subheading 2909.42.00 is deleted.

(b) Subheading 2909.49.60 is renumbered as 2909.49.61.

29-16. (a) The following new subheading 2910.40.00 is inserted in numerical sequence:

[Epoxides, epoxyalcohols, epoxyphenols...]			
"2910.40.00	Dieldrin (ISO, INN)	4.8%	Free (A*,AU,CA,CL, 31% E,IL,J,JO,K,MX,SG)"

(b) Subheading 2910.90.50 is renumbered as 2910.90.90.

29-17. (a) Subheading 2912.13.00 is deleted.

(b) Subheading 2912.19.40 is superseded by the following:

[Aldehydes, whether or not with other oxygen...]			
[Acyclic aldehydes without other...]			
[Other:]			
[Other:]			
"2912.19.41	<i>n</i> -Butanal (Butyraldehyde, normal isomer) and isobutanal ..	5.5%	Free (A*,AU,CA,CL, 61.5% E,IL,J,JO,MX) 4.2% (SG)"

Appendix B

29-18. (a) Subheadings 2915.22.00 and 2915.23.00 are deleted.

(b) The following new subheadings 2915.29.20 and 2915.29.30 are inserted in numerical sequence:

[Saturated acyclic monocarboxylic acids and their...]				
[Acetic acid and its salts; acetic anhydride:]				
[Other:]				
"2915.29.20	Sodium acetate	3.7%	Free (A*,AU,CA,CL, E,IL,J,JO,MX,SG)	25%
2915.29.30	Cobalt acetates	4.2%	Free (A*,AU,CA,CL, E,IL,J,JO,MX,SG)"	30%

29-19. (a) Subheadings 2915.34.00 and 2915.35.00 are deleted.

(b) The following new subheadings 2915.39.70 and 2915.39.80 are inserted in numerical sequence:

[Saturated acyclic monocarboxylic acids and their...]				
[Esters of acetic acid:]				
[Other:]				
[Other:]				
[Other:]				
"2915.39.70	Isobutyl acetate	5.5%	Free (A*,AU,CA,CL, E,IL,J,JO,MX 3.8% (SG)	40%
2915.39.80	2-Ethoxyethyl acetate (Ethylene glycol, monoethyl ether acetate)	5.5%	Free (A*,AU,CA,CL, E,IL,J,JO,MX,SG)"	54.5%

29-20. (a) The following new subheading 2915.36.00 is inserted in numerical sequence:

[Saturated acyclic monocarboxylic acids and their...]				
[Esters of acetic acid:]				
"2915.36.00	Dinoseb (ISO) acetate	5.5%	Free (A+,AU,CA,CL, D,E,IL,J,JO,K, MX,SG)"	15.4¢/kg + 57%

(b) Subheading 2915.39.30 is renumbered as 2915.39.31.

29-21. (a) The following new subheading 2916.36.00 is inserted in numerical sequence:

[Unsaturated acyclic monocarboxylic acids...]				
[Aromatic monocarboxylic acids...]				
"2916.36.00	Binapacryl (ISO)	6.5%	Free (A+,AU,CA,CL, D,E,IL,J,JO,K,MX) 0.3¢/kg + 4.4% (SG)"	15.4¢/kg + 57%

(b) Subheading 2915.39.75 is renumbered as 2915.39.76.

Appendix B

29-22. (a) Subheading 2917.31.00 is deleted.

(b) Subheading 2917.34.00 is renumbered as 2917.34.01.

29-23. (a) The following new subheading 2918.18.00 is inserted in numerical sequence:

[Carboxylic acids with additional oxygen...]				
[Carboxylic acids with alcohol function...]				
"2918.18.00	Chlorobenzilate (ISO)	6.5%	Free (A+,AU,CA,CL, D,E,IL,J,JO,K,L, MX,SG)"	15.4¢/kg + 57%

(b) Subheading 2918.19.30 is renumbered as 2918.19.31.

29-24. Subheadings 2918.90 and 2918.90.05 through 2918.90.50 are superseded by the following:

[Carboxylic acids with additional oxygen...]				
"Other:				
2918.91.00	2,4,5-T (ISO) (2,4,5-trichlorophenoxy- acetic acid), its salts and esters	6.5%	Free (A*,CA,CL,E, IL,J,JO,MX) 3.2% (AU) 3.9% (SG)	15.4¢/kg + 48.5%
2918.99	Other:			
Aromatic:				
2918.99.05	<i>p</i> -Anisic acid; Clofibrate; 1,6-Hexanediol bis(3,5-dibutyl- 4-hydroxyphenyl)propionate; and 3-Phenoxybenzoic acid	5.8%	Free (A+,AU,CA,CL, D,E,IL,J,JO,K, MX,SG)	15.4¢/kg + 40%
2918.99.06	1-Hydroxy-6-octadecyloxy-2- naphthalenecarboxylic acid; and 1-Hydroxy-6-docosyloxy-2- naphthalenecarboxylic acid	Free		15.4¢/kg + 57%
2918.99.14	2-(4-Chloro-2-methylphenoxy)- propionic acid and its salts	Free		15.4¢/kg + 40.5%
Other:				
Pesticides:				
2918.99.18	4-(4-Chloro-2-methyl- phenoxy)butyric acid; <i>p</i> -Chlorophenoxy- acetic acid; and 2-(2,4-Dichlorophen- oxy)propionic acid ...	6.5%	Free (A*,AU,CA,CL, E,IL,J,JO,MX,SG)	15.4¢/kg + 40.5%
2908.99.20	Other	6.5%	Free (A*,CA,CL,E, IL,J,JO,MX) 3.2% (AU) 3.9% (SG)	15.4¢/kg + 48.5%
2918.99.30	Drugs	6.5%	Free (A*,AU,CA,CL, E,IL,J,JO,K,MX,SG)	15.4¢/kg + 47.5%

Appendix B

2918.99.35	Odoriferous or flavoring compounds	6.5%	Free (A*,AU,CA,CL, E,IL,J,JO,MX,SG)	15.4¢/kg + 58%
	Other:			
2918.99.43	Products described in additional U.S. note 3 to section VI ...	6.5%	Free (A+,AU,CA,CL, D,EIL,J,JO,K,MX) 3.9% (SG)	15.4¢/kg + 57%
2918.99.47	Other	6.5%	Free (A+,AU,CA,CL, D,EIL,J,JO,K,MX) 0.3¢/kg + 4.4% (SG)	15.4¢/kg + 57%
2918.99.50	Other	4%	Free (A*,AU,CA,CL, E,IL,J,JO,K,MX,SG)''	25%

Appendix B

29-25. Subheadings 2919.00 and 2919.00.15 through 2919.00.50 are superseded by the following:

“2919	Phosphoric esters and their salts, including lactophosphates; their halogenated, sulfonated, nitrated or nitrosated derivatives:			
2919.10.00	Tris(2,3-dibromopropyl) phosphate	3.7%	Free (A*,AU,CA,CL, E,IL,J,JO,MX,SG)	25%
2919.90	Other:			
	Aromatic:			
	Plasticizers:			
2919.90.15	Triphenyl phosphate	Free		15.4¢/kg + 57%
2919.90.25	Other	6.5%	Free (A*,AU,CA,CL, E,IL,J,JO,MX) 4.3% (SG)	15.4¢/kg + 57%
2919.90.30	Other	6.5%	Free (A*,AU,CA,CL, D,E,IL,J,JO,K, MX,SG)	15.4¢/kg + 43%
2919.99.50	Other	3.7%	Free (A*,AU,CA,CL, E,IL,J,JO,K,MX,SG)”	25%

29-26. Subheadings 2920.10 and 2920.1010 through 2920.10.50 are superseded by the following:

	[Esters of other inorganic acids of nonmetals...]			
	“Thiophosphoric esters (phosphorothioates) and their salts; their halogenated, sulfonated, nitrated or nitrosated derivatives:			
2920.11.00	Parathion (ISO) and parathion-methyl (ISO) (methyl-parathion)	Free		15.4¢/kg + 65%
2920.19	Other:			
	Aromatic:			
2920.19.10	<i>O,O</i> -Dimethyl- <i>O</i> -(4-nitro- <i>m</i> -tolyl) phosphorothioate (Fenitrothion)	6.5%	Free (A*,AU,CA,CL, E,IL,J,JO,MX,SG)	15.4¢/kg + 41%
2920.19.40	Other	6.5%	Free (A*,AU,CA,CL, E,IL,J,JO,K,MX,SG)	15.4¢/kg + 64.5%
2920.19.50	Other	3.7%	Free (A*,AU,CA,CL, E,IL,J,JO,K,MX,SG)”	25%

29-27. (a) Subheading 2921.12.00 is deleted.

(b) Subheading 2921.19.10 is renumbered as 2921.19.11 and the article description of that subheading is superseded by the following:

“Mono-, di- and triethylamines; mono-, di- and tri-(propyl- and butyl-)monoamines; salts of any of the foregoing”

Appendix B

29-28. (a) Subheadings 2922.22 and 2922.22.10 through 2922.22.50 are deleted.

(b) The following new subheading 2922.29.03 is inserted in numerical sequence:

[Oxygen-function amino-compounds:]			
[Amino-naphthols and other amino-phenols...]			
[Other:]			
"2922.29.03	<i>o</i> -Anisidine; <i>p</i> -Anisidine; and <i>p</i> -Phenetidine	6.5%	Free (A+,AU,CA,CL, D,E,IL,J,JO,L, MX,SG)"
			15.4¢/kg + 65%

(c) Subheadings 2922.29.60 and 2922.29.80 are renumbered as 2922.29.61 and 2922.29.81, respectively.

29-29. (a) The following new subheading 2924.12.00 is inserted in numerical sequence:

[Carboxyamide-function compounds...]			
[Acyclic amides (including acyclic...)]			
"2924.12.00	Fluoroacetamide (ISO), monocrotophos (ISO) and phosphamidon (ISO)	3.7%	Free (A*,AU,CA,CL, E,IL,J,JO,L,MX,SG)"
			25%

(b) Subheading 2924.19.10 is renumbered as 2924.19.11.

29-30. Subheadings 2925.20 and 2925.20.10 through 2925.20.90 are superseded by the following:

[Carboxyimide-function compounds (including...)]			
"Imines and their derivatives; salts thereof:			
2925.21.00	Chlordimeform (ISO)	6.5%	Free (A+,AU,CA,CL, D,E,IL,J,JO,K,MX) 4.1% (SG)
			15.4¢/kg + 61%
2925.29	Other:		
	Aromatic:		
2925.29.10	<i>N'</i> -(4-Chloro- <i>o</i> -tolyl)- <i>N,N</i> - diethylformamidine; Bunamidine hydrochloride; and Pentamidine	6.5%	Free (A+,AU,CA,CL, D,E,IL,J,JO,K, MX,SG)
			15.4¢/kg + 41%
2925.29.18	<i>N,N'</i> -Diphenylguanidine; 3-Dimethylaminomethylene- iminophenol hydrochloride; 1,3-Di- <i>o</i> -tolylguanidine; and <i>N,N</i> -Dimethyl- <i>N'</i> -[3-[[[(methyl- amino)carbonyl]oxy]phenyl]- methanimidamide mono- hydrochloride	Free	15.4¢/kg + 61%
	Other:		
2925.29.20	Drugs	6.5%	Free (A+,AU,CA,CL, D,E,IL,J,JO,K, MX,SG)
			15.4¢/kg + 67.5%
2925.29.60	Other	6.5%	Free (A+,AU,CA,CL, D,E,IL,J,JO,K,MX) 4.1% (SG)
			15.4¢/kg + 61%

Appendix B

	Other:			
2925.29.70	Tetramethylguanidine	Free		25%
2925.29.90	Other	3.7%	Free (A*,AU,CA,CL, E,IL,J,JO,K,MX,SG)"	25%

29-31. (a) Subheading 2930.10.00 is deleted.

(b) Subheading 2930.90.90 is renumbered as 2930.90.91.

29-32. (a) The following new subheading 2930.50.00 is inserted in numerical sequence:

	[Organo-sulfur compounds:]			
"2930.50.00	Captafol (ISO) and methamidophos (ISO))	6.5%	Free (A*,AU,CA,CL, E,IL,J,JO,MX,SG)"	30.5%

(b) Subheading 2930.90.44 is renumbered as 2930.90.43.

29-33. (a) Subheading 2936.10.00 is deleted.

(b) Subheading 2936.90.00 is renumbered as 2936.90.01 and the article description of that subheading is superseded by the following:

"Other, including provitamins and natural concentrates"

29-34. Subheadings 2939.21.00 and 2939.29.00 and the superior text immediately preceding these subheadings are superseded by the following:

"2939.20.00	Alkaloids of cinchona and their derivatives	Free	Free"
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CHAPTER 30

30-1. Note 4(a) to chapter 30 is superseded by the following:

"(a) Sterile surgical catgut, similar sterile suture materials (including sterile absorbable surgical or dental yarns) and sterile tissue adhesives for surgical wound closure;"

30-2. Note 4(c) to chapter 30 is superseded by the following:

"(c) Sterile absorbable surgical or dental hemostatics; sterile surgical or dental adhesion barriers, whether or not absorbable;"

30-3. (a) Note 4(ij) to chapter 30 is amended by deleting the word "and" at the end of that subparagraph.

(b) Note 4(k) to chapter 30 is amended by deleting the period at the end and substituting the expression "; and".

(c) The following new note 4(l) to chapter 30 is inserted in alphabetical sequence:

"(l) Appliances identifiable for ostomy use, that is, colostomy, ileostomy and urostomy pouches cut to shape and their adhesive wafers or faceplates."

Appendix B

30-4. (a) Subheading 3001.10.00 is deleted.

(b) Subheading 3001.90.00 is renumbered as 3001.90.01.

30-5. The article description of subheading 3004.32.00 is amended by replacing “and” by “or”.

30-6. Subheading 3006.10.00 is renumbered as 3006.10.01 and the text of that subheading is superseded by the following:

“Sterile surgical catgut, similar sterile suture materials (including sterile absorbable surgical or dental yarns) and sterile tissue adhesives for surgical wound closure; sterile laminaria and sterile laminaria tents; sterile absorbable surgical or dental hemostatics; sterile surgical or dental adhesion barriers, whether or not absorbable”

30-7. Subheading 3006.80.00 is superseded by the following:

[Pharmaceutical goods specified in note 4...]				
“Other:				
3006.91.00	Appliances identifiable for ostomy use	4.2%	Free (A,AU,CA,CL,E, IL,J,JO,MX,SG)	25%
3006.92.00	Waste pharmaceuticals	Free		45%”

CHAPTER 31

31-1. (a) Subheading 3102.70.00 is deleted.

(b) Subheading 3102.90.00 is renumbered as 3102.90.01.

31-2. (a) Subheading 3103.20.00 is deleted.

(b) Subheading 3103.90.00 is renumbered as 3103.90.01.

31-3. (a) Subheading 3104.10.00 is deleted.

(b) Subheading 3104.90.00 is renumbered as 3104.90.01.

CHAPTER 32

32-1. (a) Subheadings 3206.30.00 and 3206.43.00 are deleted.

(b) Subheading 3206.49.50 is superseded by the following:

[Other coloring matter; preparations as specified...]				
[Other coloring matter and other...]				
[Other:]				
“Other:				
3206.49.55	Pigments and preparations based on hexacyanoferrates (ferro- cyanides and ferricyanides)	3.7%	Free (A*,AU,CA,CL, E,IL,J,JO,MX,SG)	12%
3206.49.60	Other	3.1%	Free (A*,AU,CA,CL, E,IL,J,JO,MX,SG)”	25%

ERROR: undefined
OFFENDING COMMAND: Pscript_WinNT_Compat

STACK:

ERROR: undefined
OFFENDING COMMAND: Pscript_WinNT_Compat

STACK:

ERROR: undefined
OFFENDING COMMAND: Pscript_WinNT_Compat

STACK:

ERROR: undefined
OFFENDING COMMAND: Pscript_WinNT_Compat

STACK:

ERROR: undefined
OFFENDING COMMAND: Pscript_WinNT_Compat

STACK:

Appendix C

**PROPOSED AMENDMENTS TO THE HARMONIZED TARIFF SCHEDULE
OF THE UNITED STATES (HTS)
PURSUANT TO SECTION 1205 OF THE OMNIBUS TRADE
AND TARIFF ACT OF 1988
[TO BECOME EFFECTIVE 1 JANUARY 2007]**

**Correlation Table
Sorted by Proposed HTS No.**

Proposed HTS No.	Current HTS No.
0105.94.00	0105.93.00
0105.94.00	0105.92.00
0208.90.25	0208.20.00
0301.94.00	0301.99.00
0301.95.00	0301.99.00
0301.99.01	0301.99.00
0302.67.00	0302.69.20
0302.68.00	0302.69.40
0302.69.21	0302.69.20
0302.69.41	0302.69.40
0303.51.00	0303.50.00
0303.52.00	0303.60.00
0303.61.00	0303.79.20
0303.62.00	0303.79.40
0303.79.21	0303.79.20
0303.79.41	0303.79.40
0304.11.00	0304.10.40
0304.12.00	0304.10.40

0304.19.10	0304.10.10
0304.19.10	0304.10.30
0304.19.10	0304.10.40
0304.21.00	0304.20.60
0304.22.00	0304.20.60
0304.29.00	0304.20.30
0304.29.00	0304.20.50
0304.29.00	0304.20.60
0304.29.00	0304.20.20
0304.91.00	0304.90.10
0304.92.00	0304.90.10
0304.99.10	0304.90.10
0304.99.90	0304.90.90
0511.99.33	0503.00.00
0511.99.36	0509.00.00
0603.11.00	0603.10.60
0603.12.30	0603.10.30
0603.12.70	0603.10.70
0603.13.00	0603.10.70
0603.14.00	0603.10.70
0603.19.00	0603.10.80
0603.19.00	0603.10.70
0709.59.10	0709.52.00
0709.59.90	0709.59.00
0709.92.00	0709.10.00
0709.96.00	0709.90.91
0711.90.30	0711.30.00
0802.60.40	0802.90.80

0802.60.80	0802.90.98
0802.90.81	0802.90.80
0802.90.97	0802.90.98
0810.90.26	0810.90.25
0810.90.26	0810.30.00
0906.11.00	0906.10.00
0906.19.00	0906.10.00
0910.99.05	0910.40.20
0910.99.06	0910.40.30
0910.99.07	0910.40.40
0910.99.10	0910.50.00
1102.90.25	1102.30.00
1207.99.02	1207.99.01
1207.99.02	1207.60.00
1207.99.02	1207.30.00
1207.99.02	1207.10.00
1209.29.91	1209.26.00
1209.29.91	1209.29.90
1212.99.20	1212.30.10
1212.99.30	1212.30.90
1212.99.91	1212.99.10
1212.99.91	1212.99.90
1301.90.91	1301.14.00
1301.90.91	1301.90.90
1302.19.91	1302.19.90
1302.19.91	1302.14.00
1404.90.10	1402.00.91
1404.90.20	1403.00.10

1404.90.30	1403.00.92
1404.90.40	1403.00.94
1404.90.90	1404.90.00
1404.90.90	1402.00.99
1404.90.90	1404.10.00
1515.90.21	1515.90.20
1515.90.21	1515.40.00
2005.91.60	2005.90.60
2005.91.97	2005.90.97
2005.99.10	2005.90.10
2005.99.20	2005.90.20
2005.99.30	2005.90.30
2005.99.41	2005.90.41
2005.99.50	2005.90.50
2005.99.55	2005.90.55
2005.99.60	2005.90.60
2005.99.80	2005.90.80
2005.99.85	2005.90.85
2005.99.97	2005.90.97
2302.40.01	2302.20.00
2302.40.01	2302.40.00
2306.90.01	2306.90.00
2306.90.01	2306.70.00
2506.20.00	2506.29.00
2506.20.00	2506.21.00
2508.40.01	2508.20.00
2508.40.01	2508.40.00
2513.10.00	2513.19.00

2513.10.00	2513.11.00
2513.20.20	2516.22.00
2516.20.10	2516.21.00
2524.10.00	2524.00.00 pt
2524.90.00	2524.00.00 pt
2707.99.51	2707.60.05
2707.99.55	2707.60.10
2707.99.59	2707.60.90
2811.29.30	2811.23.00
2824.90.20	2824.20.00
2826.19.10	2826.11.10
2826.19.20	2826.11.50
2826.19.90	2826.19.00
2826.90.10	2826.20.00
2826.90.90	2826.90.00
2836.99.30	2836.10.00
2836.99.40	2836.70.00
2827.39.55	2827.33.00
2827.39.60	2827.34.00
2827.39.65	2827.36.00
2827.39.90	2827.39.50
2830.90.10	2830.20.10
2830.90.15	2830.20.20
2830.90.20	2830.30.00
2830.90.90	2830.90.00
2833.29.40	2833.23.00
2833.29.45	2833.26.00
2835.29.30	2835.23.00

2839.90.01	2839.90.00
2839.90.01	2839.20.00
2841.90.40	2841.10.00
2841.90.45	2841.20.00
2842.90.10	2838.00.00
2842.90.90	2842.90.00
2851.00.00	2853.00.00
2852.00.10	2825.90.45
2852.00.10	2837.19.00
2852.00.10	2837.20.50
2852.00.90	2826.19.00
2852.00.90	2827.39.20
2852.00.90	2827.59.50
2852.00.90	2827.60.50
2852.00.90	2829.19.00
2852.00.90	2829.90.60
2852.00.90	2830.90.00
2852.00.90	2833.29.50
2852.00.90	2834.29.50
2852.00.90	2835.29.50
2852.00.90	2838.00.00
2852.00.90	2841.50.90
2852.00.90	2842.90.00
2852.00.90	2843.29.00
2852.00.90	2908.20.20
2852.00.90	2915.29.50
2852.00.90	2915.70.00
2852.00.90	2916.15.50

2852.00.90	2916.31.10
2852.00.90	2918.11.50
2852.00.90	2908.21.50
2852.00.90	2925.19.90
2852.00.90	2931.00.25
2852.00.90	2931.00.27
2903.31.00	2903.30.05
2903.39.15	2903.30.15
2903.39.20	2903.30.20
2903.52.00	2903.59.10
2903.59.11	2903.59.10
2905.19.10	2905.15.00
2905.19.90	2905.19.00
2906.19.55	2906.14.00
2906.19.55	2906.19.50
2907.19.61	2907.19.60
2908.11.00	2908.10.20
2908.19.05	2908.10.05
2908.19.10	2908.10.10
2908.19.15	2908.10.15
2908.19.20	2908.10.20
2908.19.25	2908.10.25
2908.19.35	2908.10.35
2908.19.60	2908.10.60
2908.91.00	2908.90.30
2908.99.03	2908.20.04
2908.99.06	2908.20.08
2908.99.09	2908.20.15

2908.99.12	2908.20.20
2908.99.15	2908.20.60
2908.99.20	2908.90.04
2908.99.25	2908.90.08
2908.99.30	2908.90.24
2908.99.35	2908.90.28
2908.99.40	2908.90.30
2908.99.80	2908.90.40
2908.99.90	2908.90.50
2909.44.00	2909.42.00
2909.49.61	2909.49.60
2909.49.61	2909.42.00
2910.40.00	2910.90.50
2910.90.90	2910.90.50
2912.19.41	2912.13.00
2912.19.41	2912.19.40
2915.29.20	2915.22.00
2915.29.30	2915.23.00
2915.36.00	2915.39.30
2915.39.31	2915.39.30
2915.39.70	2915.34.00
2915.39.80	2915.35.00
2916.36.00	2916.39.75
2916.39.76	2916.39.75
2917.34.01	2917.34.00
2917.34.01	2917.31.00
2918.18.00	2918.19.30
2918.19.31	2918.19.30

2918.91.00	2918.90.20
2918.99.05	2918.90.05
2918.99.06	2918.90.06
2918.99.14	2918.90.14
2918.99.18	2918.90.18
2918.99.20	2918.90.20
2918.99.30	2918.90.30
2918.99.35	2918.90.35
2918.99.43	2918.90.43
2918.99.47	2918.90.47
2918.99.50	2918.90.50
2919.10.00	2919.00.50
2919.90.15	2919.00.15
2919.90.25	2919.00.25
2919.90.30	2919.00.30
2919.90.50	2919.00.50
2920.11.00	2920.10.30
2920.19.10	2920.10.10
2920.19.40	2920.10.40
2920.19.50	2920.10.50
2921.19.11	2921.12.00
2921.19.11	2921.19.10
2922.29.03	2922.22.10
2922.29.61	2922.22.20
2922.29.61	2922.29.60
2922.29.81	2922.22.50
2922.29.81	2922.29.80
2924.12.00	2924.19.10

2924.19.11	2924.19.10
2925.21.00	2925.20.60
2925.29.10	2925.20.10
2925.29.18	2925.20.18
2925.29.20	2925.20.20
2925.29.60	2925.20.60
2925.29.70	2925.20.70
2925.29.90	2925.20.90
2930.50.00	2930.90.44
2930.90.43	2930.90.44
2930.90.91	2931.90.90
2930.90.91	2930.10.00
2936.90.01	2936.90.00
2936.90.01	2936.10.00
2939.20.00	2939.29.00
2939.20.00	2939.21.00
3001.90.01	3001.90.00
3001.90.01	3001.10.00
3006.10.01	3006.10.00
3006.91.00	3926.90.20
3006.92.00	3006.80.00
3102.90.01	3102.90.00
3102.90.01	3102.70.00
3103.90.01	3103.90.00
3103.90.01	3103.20.00
3104.90.01	3104.10.00
3104.90.01	3104.90.00
3206.49.55	3206.43.00

3206.49.60	3206.49.50
3206.49.60	3206.30.00
3301.19.51	3301.19.50
3301.19.51	3301.11.00
3301.19.51	3301.14.00
3301.29.51	3301.21.00
3301.29.51	3301.29.50
3301.29.51	3301.22.00
3301.29.51	3301.23.00
3301.29.51	3301.26.00
3404.90.51	3404.10.00
3404.90.51	3404.90.50
3702.31 - .44	3702.20.00, 3702.31 - .44
3805.90.10	3805.20.00
3805.90.50	3805.90.00
3808.50.10	3808.10.25
3808.50.10	3808.20.15
3808.50.10	3808.30.15
3808.50.10	3808.40.10
3808.50.10	3808.90.08
3808.50.50	3808.90.95
3808.50.50	3808.10.50
3808.50.50	3808.40.50
3808.50.50	3808.20.50
3808.91.10	3808.10.10
3808.91.15	3808.10.15
3808.91.25	3808.10.25
3808.91.30	3808.10.30

3808.91.50	3808.10.50
3808.92.05	3808.20.05
3808.92.15	3808.20.15
3808.92.24	3808.20.24
3808.92.28	3808.20.28
3808.92.30	3808.20.30
3808.92.50	3808.20.50
3808.93.05	3808.30.05
3808.93.15	3808.30.15
3808.93.20	3808.30.20
3808.93.50	3808.30.50
3808.94.10	3808.40.10
3808.94.50	3808.40.50
3808.99.04	3808.90.04
3808.99.08	3808.90.08
3808.99.30	3808.90.30
3808.99.70	3808.90.70
3808.99.95	3808.90.95
3824.71.01	3824.71.00
3824.71.01	3824.90.47
3824.72.00	3824.79.00
3824.73.00	3824.90.47
3824.73.00	3824.79.00
3824.74.00	3824.79.00
3824.74.00	3824.90.47
3824.75.00	3824.90.46
3824.76.00	3824.90.46
3824.77.00	3824.90.47

3824.78.00	3824.79.00
3824.79.10	3824.90.46
3824.79.90	3824.90.47
3824.79.90	3824.79.00
3824.81.00	3824.90.91
3824.82.10	3824.90.46
3824.82.90	3824.90.47
3824.83.00	3824.90.91
3824.90.46	3824.90.46
3824.90.47	3824.90.47
3824.90.75	3824.20.00
3907.70.00	3907.99.00
3907.99.01	3907.99.00
3920.79.05	3920.72.00
3920.79.10	3920.79.10
3920.79.50	3920.79.50
3920.90.05	3926.90.15
3920.90.05	3926.90.20
3924.90.56	3926.90.55
3926.90.16	3926.90.15
3926.90.21	3926.90.20
3926.90.48	3924.90.55
4010.19.91	4010.19.90
4010.19.91	4010.13.00
4103.90.11	4103.10.10
4103.90.11	4103.90.10
4103.90.12	4103.10.20
4103.90.13	4103.10.30

4103.90.20	4103.90.20
4201.90.01	4301.90.00
4205.00.05	4204.00.30
4205.00.10	4204.00.60
4205.00.20	4205.00.20
4205.00.40	4205.00.40
4205.00.60	4205.00.60
4205.00.80	4205.00.80
4206.00.13	4206.10.30
4206.00.19	4206.10.90
4206.00.90	4206.90.00
4301.90.01	4301.70.00
4302.19.13	4302.13.00
4402.10.00	4402.00.00
4402.90.00	4402.00.00
4407.10.01	4407.10.00
4407.21.00	4407.24.00
4407.22.00	4407.24.00
4407.27.00	4407.29.00
4407.28.00	4407.29.00
4407.29.01	4407.29.01
4407.93.00	4407.99.00
4407.94.00	4407.99.00
4407.95.00	4407.99.00
4407.99.01	4407.99.00
4409.21.05	4409.20.05
4409.21.90	4409.20.90
4409.29.05	4409.20.05

4409.29.10	4409.20.10
4409.29.25	4409.20.25
4409.29.40	4409.20.40
4409.29.50	4409.20.50
4409.29.60	4409.20.60
4409.29.65	4409.20.65
4409.29.90	4409.20.90
4410.11.00	4410.32.00
4410.11.00	4410.31.00
4410.11.00	4410.39.00
4410.11.00	4410.33.00
4410.12.00	4410.29.00
4410.12.00	4410.21.00
4410.19.00	4410.39.00
4410.19.00	4410.32.00
4410.19.00	4410.33.00
4410.19.00	4410.31.00
4410.90.00	4410.90.00
4411.12.10	4411.21.00
4411.12.20	4411.29.20
4411.12.30	4411.29.30
4411.12.60	4411.29.60
4411.12.90	4411.29.90
4411.13.10	4411.21.00
4411.13.20	4411.29.20
4411.13.30	4411.29.30
4411.13.60	4411.29.60
4411.13.90	4411.29.90

4411.14.10	4411.21.00
4411.14.20	4411.29.20
4411.14.30	4411.29.30
4411.14.60	4411.29.60
4411.14.90	4411.29.90
4411.92.10	4411.11.00
4411.92.20	4411.19.20
4411.92.30	4411.19.30
4411.92.40	4411.19.40
4411.93.10	4411.21.00
4411.93.20	4411.29.20
4411.93.30	4411.29.30
4411.93.60	4411.29.60
4411.93.90	4411.29.90
4411.94.00	4411.91.00
4411.94.00	4411.99.00
4411.94.00	4411.31.00
4411.94.00	4411.39.00
4412.10.00	4412.29.36
4412.10.00	4412.29.46
4412.31.05	4412.13.05
4412.31.25	4412.13.25
4412.31.40	4412.13.40
4412.31.51	4412.13.51
4412.31.60	4412.13.60
4412.31.91	4412.13.91
4412.32.05	4412.14.05
4412.32.25	4412.14.25

4412.32.31	4412.14.31
4412.32.56	4412.14.56
4412.39.10	4412.19.10
4412.39.30	4412.19.30
4412.39.40	4412.19.40
4412.39.50	4412.19.50
4412.94.10	4412.22.10
4412.94.10	4412.29.15
4412.94.31	4412.22.31
4412.94.31	4412.29.36
4412.94.41	4412.29.41
4412.94.41	4412.22.46
4412.94.51	4412.22.51
4412.94.51	4412.29.56
4412.94.60	4412.92.10
4412.94.60	4412.99.15
4412.94.70	4412.92.30
4412.94.70	4412.99.35
4412.94.80	4412.92.41
4412.94.80	4412.99.46
4412.94.90	4412.92.51
4412.94.90	4412.99.56
4412.94.95	4412.92.91
4412.94.95	4412.99.96
4412.99.06	4412.23.01
4412.99.06	4412.22.06
4412.99.10	4412.22.10
4412.99.10	4412.29.15

4412.99.31	4412.22.31
4412.99.31	4412.29.36
4412.99.41	4412.29.46
4412.99.41	4412.22.41
4412.99.51	4412.29.56
4412.99.51	4412.22.51
4412.99.56	4412.92.06
4412.99.56	4412.93.01
4412.99.60	4412.99.15
4412.99.60	4412.92.10
4412.99.70	4412.99.35
4412.99.70	4412.92.30
4412.99.80	4412.92.41
4412.99.80	4412.99.46
4412.99.90	4412.99.56
4412.99.90	4412.92.51
4412.99.95	4412.92.91
4412.99.95	4412.99.96
4418.60.00	4418.90.45
4418.71.10	4418.30.00
4418.71.20	4418.30.00
4418.71.90	4412.22.31
4418.71.90	4412.29.36
4418.72.20	4418.90.45
4418.72.90	4412.22.31
4418.72.90	4412.29.36
4418.79.00	4418.90.45
4418.90.25	4407.10.00

4418.90.46	4418.90.45
4421.90.94	4418.90.20
4601.21.40	4601.20.40
4601.21.80	4601.20.80
4601.21.90	4601.20.90
4601.22.40	4601.20.40
4601.22.80	4601.20.80
4601.22.90	4601.20.90
4601.29.40	4601.20.40
4601.29.60	4601.20.60
4601.29.80	4601.20.80
4601.29.90	4601.20.90
4601.92.05	4601.91.05
4601.92.20	4601.91.20
4601.93.01	4601.20.20
4601.93.05	4601.91.05
4601.93.20	4601.91.20
4601.94.05	4601.91.05
4601.94.20	4601.91.20
4601.94.40	4601.91.40
4602.11.05	4602.10.05
4602.11.07	4602.10.07
4602.11.09	4602.10.09
4602.11.21	4602.10.21
4602.11.35	4602.10.35
4602.11.45	4602.10.45
4602.12.05	4602.10.05
4602.12.14	4602.10.14

4602.12.16	4602.10.16
4602.12.23	4602.10.23
4602.12.25	4602.10.25
4602.12.35	4602.10.35
4602.12.45	4602.10.45
4602.19.05	4602.10.05
4602.19.12	4602.10.12
4602.19.14	4602.10.14
4602.19.16	4602.10.16
4602.19.17	4602.10.17
4602.19.18	4602.10.18
4602.19.22	4602.10.22
4602.19.23	4602.10.23
4602.19.25	4602.10.25
4602.19.29	4602.10.29
4602.19.35	4602.10.35
4602.19.45	4602.10.45
4602.19.60	4602.10.60
4602.19.80	4602.10.80
4706.30.00	4706.92.00
4706.30.00	4706.93.00
4706.92.01	4706.92.00
4706.93.01	4706.93.00
4802.54.31	4802.54.30
4802.54.31	4802.30.50
4802.54.31	4802.30.60
4802.54.61	4802.30.70
4802.54.61	4802.54.60

4809.90.71	4809.10.40
4809.90.71	4809.10.20
4809.90.71	4809.90.70
4811.10.11	4815.00.00
4811.10.11	4811.10.10
4811.10.21	4815.00.00
4811.10.21	4811.10.20
4811.41.21	4811.41.20
4811.41.21	4823.12.00
4811.49.21	4811.49.20
4811.49.21	4823.19.01
4814.90.01	4814.30.00
4814.90.01	4814.90.00
4816.90.01	4816.30.00
4816.90.01	4816.10.00
4816.90.01	4816.90.00
4823.61.00	4823.60.00
4823.69.00	4823.60.00
4823.90.67	4823.90.66
4823.90.67	4815.00.00
5003.00.10	5003.10.00
5003.00.90	5003.90.00
5208.59.10	5208.53.00
5210.19.10	5210.12.00
5210.29.10	5210.22.00
5210.49.10	5210.42.00
5210.59.10	5210.52.00
5211.20.21	5211.21.00

5211.20.22	5211.22.00
5211.20.29	5211.29.00
5305.00.00	5304.10.00
5305.00.00	5304.90.00
5305.00.00	5305.11.00
5305.00.00	5305.19.00
5305.00.00	5305.21.00
5305.00.00	5305.29.00
5305.00.00	5305.90.00
5402.11.30	5402.10.50
5402.11.60	5402.10.60
5402.19.30	5402.10.30
5402.19.60	5402.10.60
5402.34.30	5402.39.30
5402.34.60	5402.39.60
5402.44.10	5402.49.10
5402.44.10	5402.41.10
5402.44.20	5402.41.90
5402.44.30	5402.42.00
5402.44.40	5402.43.10
5402.44.50	5402.49.90
5402.44.50	5402.39.30
5402.44.60	5402.49.10
5402.44.60	5402.41.10
5402.44.90	5402.41.90
5402.44.90	5402.49.90
5402.45.10	5402.41.10
5402.45.90	5402.41.90

5402.46.00	5402.42.00
5402.47.10	5402.43.10
5402.47.90	5402.43.90
5402.48.00	5402.49.90
5402.49.11	5402.49.10
5402.49.91	5402.49.90
5403.39.10	5403.20.30
5403.39.90	5403.39.00
5403.49.10	5403.20.60
5403.49.90	5403.49.00
5404.11.00	5404.10.80
5404.12.10	5404.10.40
5404.12.90	5404.10.80
5404.19.10	5404.10.10
5404.19.80	5404.10.80
5406.00.00	5406.10.00
5406.00.00	5406.20.00
5501.40.00	5501.90.00
5503.11.10	5503.10.10
5503.11.90	5503.10.90
5503.19.10	5503.10.10
5503.19.90	5503.10.90
5513.21.15	5513.33.00
5513.23.01	5513.23.00
5513.23.01	5513.22.00
5513.31.05	5513.32.00
5513.39.01	5513.39.00
5513.42.05	5513.42.00

5513.42.15	5513.43.00
5513.49.10	5513.42.00
5513.49.20	5513.43.00
5513.49.90	5513.49.00
5514.12.15	5514.13.00
5514.19.10	5514.12.00
5514.19.10	5514.13.00
5514.19.90	5514.19.00
5514.30.31	5514.31.00
5514.30.32	5514.32.00
5514.30.33	5514.33.00
5514.30.39	5514.39.00
5515.91.15	5515.92.05
5515.91.20	5515.92.10
5515.99.05	5515.92.05
5515.99.10	5515.92.10
5515.99.90	5515.99.00
5604.90.20	5604.20.00
5604.90.90	5604.90.00
5607.90.15	5607.10.00
5702.50.20	5702.51.20
5702.50.40	5702.51.40
5702.50.52	5702.52.00
5702.50.56	5702.59.10
5702.50.59	5702.59.20
5803.00.10	5803.10.00
5803.00.20	5803.90.11
5803.00.30	5803.90.12

5803.00.40	5803.90.20
5803.00.50	5803.90.30
5803.00.90	5803.90.40
6005.90.10	6005.10.00
6005.90.90	6005.90.00
6101.90.05	6101.10.00
6103.10.10	6103.11.00
6103.10.20	6103.12.10
6103.10.30	6103.12.20
6103.10.40	6103.19.10
6103.10.50	6103.19.15
6103.10.60	6103.19.20
6103.10.70	6103.19.60
6103.10.90	6103.19.90
6103.29.05	6103.21.00
6104.19.50	6104.11.00
6104.19.60	6104.12.00
6104.29.05	6104.21.00
6107.99.10	6107.92.00
6111.90.05	6111.10.00
6114.90.05	6114.10.00
6115.10.05	6115.12.10
6115.10.05	6115.19.20
6115.10.05	6115.92.30
6115.10.05	6115.93.30
6115.10.10	6115.12.20
6115.10.15	6115.19.80
6115.10.30	6115.92.90

ERROR: undefined
OFFENDING COMMAND: Pscript_WinNT_Compat

STACK:

ERROR: undefined
OFFENDING COMMAND: Pscript_WinNT_Compat
STACK:

Appendix D

**PROPOSED AMENDMENTS TO THE HARMONIZED TARIFF SCHEDULE
OF THE UNITED STATES (HTS)
PURSUANT TO SECTION 1205 OF THE OMNIBUS TRADE
AND TARIFF ACT OF 1988
[TO BECOME EFFECTIVE 1 JANUARY 2007]**

**Correlation Table
Sorted by Current HTS No.**

Current HTS No.	Proposed HTS No.
0105.92.00	0105.94.00
0105.93.00	0105.94.00
0208.20.00	0208.90.25
0301.99.00	0301.94.00
0301.99.00	0301.95.00
0301.99.00	0301.99.01
0302.69.20	0302.69.21
0302.69.20	0302.67.00
0302.69.40	0302.68.00
0302.69.40	0302.69.41
0303.50.00	0303.51.00
0303.60.00	0303.52.00
0303.79.20	0303.79.21
0303.79.20	0303.61.00
0303.79.40	0303.62.00
0303.79.40	0303.79.41
0304.10.10	0304.19.10
0304.10.30	0304.19.10

0304.10.40	0304.12.00
0304.10.40	0304.19.10
0304.10.40	0304.11.00
0304.20.20	0304.29.00
0304.20.30	0304.29.00
0304.20.50	0304.29.00
0304.20.60	0304.29.00
0304.20.60	0304.21.00
0304.20.60	0304.22.00
0304.90.10	0304.92.00
0304.90.10	0304.99.10
0304.90.10	0304.91.00
0304.90.90	0304.99.90
0503.00.00	0511.99.33
0509.00.00	0511.99.36
0603.10.30	0603.12.30
0603.10.60	0603.11.00
0603.10.70	0603.12.70
0603.10.70	0603.13.00
0603.10.70	0603.14.00
0603.10.70	0603.19.00
0603.10.80	0603.19.00
0709.10.00	0709.92.00
0709.52.00	0709.59.10
0709.59.00	0709.59.90
0709.90.91	0709.96.00
0711.30.00	0711.90.30
0802.90.80	0802.60.40

0802.90.80	0802.90.81
0802.90.98	0802.90.97
0802.90.98	0802.60.80
0810.30.00	0810.90.26
0810.90.25	0810.90.26
0906.10.00	0906.11.00
0906.10.00	0906.19.00
0910.40.20	0910.99.05
0910.40.30	0910.99.06
0910.40.40	0910.99.07
0910.50.00	0910.99.10
1102.30.00	1102.90.25
1207.10.00	1207.99.02
1207.30.00	1207.99.02
1207.60.00	1207.99.02
1207.99.01	1207.99.02
1209.26.00	1209.29.91
1209.29.90	1209.29.91
1212.30.10	1212.99.20
1212.30.90	1212.99.30
1212.99.10	1212.99.91
1212.99.90	1212.99.91
1301.14.00	1301.90.91
1301.90.90	1301.90.91
1302.14.00	1302.19.91
1302.19.90	1302.19.91
1402.00.91	1404.90.10
1402.00.99	1404.90.90

1403.00.10	1404.90.20
1403.00.92	1404.90.30
1403.00.94	1404.90.40
1404.10.00	1404.90.90
1404.90.00	1404.90.90
1515.40.00	1515.90.21
1515.90.20	1515.90.21
2005.90.10	2005.99.10
2005.90.20	2005.99.20
2005.90.30	2005.99.30
2005.90.41	2005.99.41
2005.90.50	2005.99.50
2005.90.55	2005.99.55
2005.90.60	2005.91.60
2005.90.60	2005.99.60
2005.90.80	2005.99.80
2005.90.85	2005.99.85
2005.90.97	2005.99.97
2005.90.97	2005.91.97
2302.20.00	2302.40.01
2302.40.00	2302.40.01
2306.70.00	2306.90.01
2306.90.00	2306.90.01
2506.21.00	2506.20.00
2506.29.00	2506.20.00
2508.20.00	2508.40.01
2508.40.00	2508.40.01
2513.11.00	2513.10.00

2513.19.00	2513.10.00
2516.21.00	2516.20.10
2516.22.00	2513.20.20
2524.00.00 pt	2524.90.00
2524.00.00 pt	2524.10.00
2707.60.05	2707.99.51
2707.60.10	2707.99.55
2707.60.90	2707.99.59
2811.23.00	2811.29.30
2824.20.00	2824.90.20
2825.90.45	2852.00.10
2826.11.10	2826.19.10
2826.11.50	2826.19.20
2826.19.00	2852.00.90
2826.19.00	2826.19.90
2826.20.00	2826.90.10
2826.90.00	2826.90.90
2827.33.00	2827.39.55
2827.34.00	2827.39.60
2827.36.00	2827.39.65
2827.39.20	2852.00.90
2827.39.50	2827.39.90
2827.59.50	2852.00.90
2827.60.50	2852.00.90
2829.19.00	2852.00.90
2829.90.60	2852.00.90
2830.20.10	2830.90.10
2830.20.20	2830.90.15

2830.30.00	2830.90.20
2830.90.00	2830.90.90
2830.90.00	2852.00.90
2833.23.00	2833.29.40
2833.26.00	2833.29.45
2833.29.50	2852.00.90
2834.29.50	2852.00.90
2835.23.00	2835.29.30
2835.29.50	2852.00.90
2836.10.00	2836.99.30
2836.70.00	2836.99.40
2837.19.00	2852.00.10
2837.20.50	2852.00.10
2838.00.00	2852.00.90
2838.00.00	2842.90.10
2839.20.00	2839.90.01
2839.90.00	2839.90.01
2841.10.00	2841.90.40
2841.20.00	2841.90.45
2841.50.90	2852.00.90
2842.90.00	2842.90.90
2842.90.00	2852.00.90
2843.29.00	2852.00.90
2853.00.00	2851.00.00
2903.30.05	2903.31.00
2903.30.15	2903.39.15
2903.30.20	2903.39.20
2903.59.10	2903.52.00

2903.59.10	2903.59.11
2905.15.00	2905.19.10
2905.19.00	2905.19.90
2906.14.00	2906.19.55
2906.19.50	2906.19.55
2907.19.60	2907.19.61
2908.10.05	2908.19.05
2908.10.10	2908.19.10
2908.10.15	2908.19.15
2908.10.20	2908.19.20
2908.10.20	2908.11.00
2908.10.25	2908.19.25
2908.10.35	2908.19.35
2908.10.60	2908.19.60
2908.20.04	2908.99.03
2908.20.08	2908.99.06
2908.20.15	2908.99.09
2908.20.20	2852.00.90
2908.20.20	2908.99.12
2908.20.60	2908.99.15
2908.21.50	2852.00.90
2908.90.04	2908.99.20
2908.90.08	2908.99.25
2908.90.24	2908.99.30
2908.90.28	2908.99.35
2908.90.30	2908.99.40
2908.90.30	2908.91.00
2908.90.40	2908.99.80

2908.90.50	2908.99.90
2909.42.00	2909.49.61
2909.42.00	2909.44.00
2909.49.60	2909.49.61
2910.90.50	2910.40.00
2910.90.50	2910.90.90
2912.13.00	2912.19.41
2912.19.40	2912.19.41
2915.22.00	2915.29.20
2915.23.00	2915.29.30
2915.29.50	2852.00.90
2915.34.00	2915.39.70
2915.35.00	2915.39.80
2915.39.30	2915.36.00
2915.39.30	2915.39.31
2915.70.00	2852.00.90
2916.15.50	2852.00.90
2916.31.10	2852.00.90
2916.39.75	2916.39.76
2916.39.75	2916.36.00
2917.31.00	2917.34.01
2917.34.00	2917.34.01
2918.11.50	2852.00.90
2918.19.30	2918.18.00
2918.19.30	2918.19.31
2918.90.05	2918.99.05
2918.90.06	2918.99.06
2918.90.14	2918.99.14

2918.90.18	2918.99.18
2918.90.20	2918.99.20
2918.90.20	2918.91.00
2918.90.30	2918.99.30
2918.90.35	2918.99.35
2918.90.43	2918.99.43
2918.90.47	2918.99.47
2918.90.50	2918.99.50
2919.00.15	2919.90.15
2919.00.25	2919.90.25
2919.00.30	2919.90.30
2919.00.50	2919.90.50
2919.00.50	2919.10.00
2920.10.10	2920.19.10
2920.10.30	2920.11.00
2920.10.40	2920.19.40
2920.10.50	2920.19.50
2921.12.00	2921.19.11
2921.19.10	2921.19.11
2922.22.10	2922.29.03
2922.22.20	2922.29.61
2922.22.50	2922.29.81
2922.29.60	2922.29.61
2922.29.80	2922.29.81
2924.19.10	2924.19.11
2924.19.10	2924.12.00
2925.19.90	2852.00.90
2925.20.10	2925.29.10

2925.20.18	2925.29.18
2925.20.20	2925.29.20
2925.20.60	2925.21.00
2925.20.60	2925.29.60
2925.20.70	2925.29.70
2925.20.90	2925.29.90
2930.10.00	2930.90.91
2930.90.44	2930.50.00
2930.90.44	2930.90.43
2931.00.25	2852.00.90
2931.00.27	2852.00.90
2931.90.90	2930.90.91
2936.10.00	2936.90.01
2936.90.00	2936.90.01
2939.21.00	2939.20.00
2939.29.00	2939.20.00
3001.10.00	3001.90.01
3001.90.00	3001.90.01
3006.10.00	3006.10.01
3006.80.00	3006.92.00
3102.70.00	3102.90.01
3102.90.00	3102.90.01
3103.20.00	3103.90.01
3103.90.00	3103.90.01
3104.10.00	3104.90.01
3104.90.00	3104.90.01
3206.30.00	3206.49.60
3206.43.00	3206.49.55

3206.49.50	3206.49.60
3301.11.00	3301.19.51
3301.14.00	3301.19.51
3301.19.50	3301.19.51
3301.21.00	3301.29.51
3301.22.00	3301.29.51
3301.23.00	3301.29.51
3301.26.00	3301.29.51
3301.29.50	3301.29.51
3404.10.00	3404.90.51
3404.90.50	3404.90.51
3702.20.00, 3702.31 - .44	3702.31 - .44
3805.20.00	3805.90.10
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APPENDIX E

**LETTER FROM
BOEN HARDWOOD FLOORING, INC.**

44

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November 30, 2004

VIA FEDEX

U.S. International Trade Commission
500 E Street, SW
Washington, DC 20436

Attention: Office of the Secretary

Re: Comments Regarding the Proposed Modifications to the Harmonized
Tariff Schedule of the United States
Regarding Amendments to Heading 4418
Our Reference: 04-10535-5(1)I

To Whom It May Concern:

The International Trade Commission ("ITC") has invited comments to its Proposed Modifications of the Harmonized Tariff Schedule of the United States, completed pursuant to Investigation 1205-6.¹ On behalf of our client, Boen Hardwood Flooring, Inc., we ask that the ITC consider the comments below regarding its recommendations.

In its Proposed Amendments to the Harmonized Tariff Schedule of the United States, which will become effective on January 1, 2007, the ITC proposed to eliminate the subheading 4418.30, a duty free subheading covering "Builder's joinery and carpentry of wood, including cellular wood panels and assembled parquet panels...Parquet panels." In its stead, the ITC

¹ Proposed Modifications to the Harmonized Tariff Schedule of the United States. 69 FR 55461 (September 14, 2004).

recommends the creation of the following subheadings for "Assembled Flooring Products" under Heading 4418:

Assembled flooring panels:

4418.71.00	For mosaic floors.....	Free
4418.72.00	Other, multilayer.....	3.2%
4418.79	Other:	
4418.79.20	Edge-glued lumber.....	Free
4418.79.45	Other.....	3.2%

It is well established law that recommendations for modifications to the tariff by the ITC are to be rate neutral.² The above noted changes, however, are not rate neutral with regard to multi-layer flooring products. In this regard, multi-layer flooring products are currently properly classified under HTS 4418.30, which is duty free. This classification is supported by a recent decision by the Harmonized System Committee ("HSC") of the World Customs Organization concerning multi-layer flooring. See *Classification of Multilayer Parquet Panels*, Annex f/5 to Doc. NC0892E2 (HSC/34/Oct. 2004), attached.

In the decision, it was requested that the HSC decide the classification of multi-layer flooring products due to an unresolved dispute between U.S. Customs and the European Union. U.S. Customs had requested the HSC to classify the products in question in HS heading 4412, based upon the premise that the articles consisted of plywood with a thin wood veneer to simulate parquet strips. The US delegation argued that a top layer of 6 millimeters or less should be considered a "thin veneer of wood," which would result in the classification of the three

² Title 19 U.S.C. § 3005(d)(1)(C) states "The Commission may not recommend any modification to the Harmonized Tariff Schedule unless the modification meets the following requirement: The modification must...ensure substantial rate neutrality."

products before the HSC in HS heading 4412. The three products had top layers that were 4 mm thick. The EU requested the HSC to classify the products in HS heading 4418, based upon the premise that the article consisted of a parquet strip assembled on one or more layers of wood. According to the EU, a 4 mm thick top layer should not be considered a thin veneer. The HSC ultimately voted to adopt the EU position, and classified the multilayer floorist products in question under HS subheading 4418.30. U.S. Customs' position was rejected.³

Based upon the above HSC decision, it is clear that multi-layer flooring products are carpentry properly classified under 4418.30. As proposed, subheading 4418.72.00 would be dutiable at 3.2%. Since subheading 4418.30 is currently a duty free subheading, the proposed amendment would not be rate neutral. Also, since the HSC decision indicates that nearly all types of multilayer assembled flooring products would be classifiable in subheading 4418.30, a substantial number of products would be subject to a higher duty rate if the proposed modifications were to be effectuated in their current form.

In addition, the HSC decision that dictates the elimination of subheading 4418.30 specifically indicates that that subheading is to be replaced by a subheading covering "assembled flooring panels." See *Classification of Certain Flooring Panels and Study on the Word Parquet in the Nomenclature*, Annex P to Doc. NC0845E2 (HSC/33/May 2004), attached. Thus, the entire breakout proposed by the ITC under "assembled flooring products" must be duty free in order for the amendments to remain rate neutral.

³ We note that a flooring product similar to one of the samples considered in the HSC decision was ruled on in *Boen Hardwood Flooring, Inc. v. United States* 357 F.3d 1262, 1265 (Fed. Cir. 2004). While the court determined that the merchandise was to be classified in subheading 4412.29.30, HTSUS, subheading 4418.30 was never considered and thus does not preclude the Commission and other U.S. agencies from complying with the HSC decision.

GRUNFELD, DESIDERIO, LEBOWITZ, SILVERMAN & KLESTADT LLP

We therefore request that all forms of multilayer flooring products covered by the HSC decision and proposed subheading 4418.72.00 be granted duty free treatment in the Commission's final report on the proposed tariff changes.

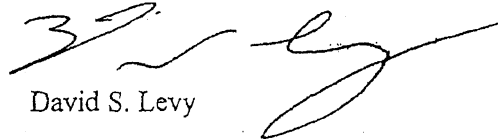
We thank you for providing us with an opportunity to comment on the proposed amendments to the Harmonized Tariff System.

Sincerely,

GRUNFELD, DESIDERIO, LEBOWITZ,
SILVERMAN & KLESTADT LLP

Handwritten signature of Peter W. Klestadt, consisting of the letters 'P', 'W', and 'K' in a stylized, cursive font.

Peter W. Klestadt

Handwritten signature of David S. Levy, featuring a large, stylized 'D' and 'L' with a horizontal line extending from the 'L'.

David S. Levy

APPENDIX F

LETTER FROM BAUER NIKE HOCKEY, USA

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*Late filing accepted
per Chairman's
office 1/4/05 (J.G.)
December 30, 2004*

PUBLIC DOCUMENT

Marilyn R. Abbott, Secretary
United States International Trade Commission
500 E Street, SW
Washington, D.C. 20436

Re: Proposed Modifications to the Harmonized Tariff Schedule of the
United States; Investigation No. 1205-6

Dear Secretary Abbott:

On behalf of Bauer Nike Hockey, USA of 150 Ocean Road, Greenland, New Hampshire, 03840, we hereby submit these comments on one of the proposed changes contained in the draft preliminary report in the above-captioned investigation. Although the deadline for submission of comments has expired, we believe that a decision that was issued by the United States Court of Appeals for the Federal Circuit (Federal Circuit) on December 20, 2004 is relevant to one of the proposed changes in the draft preliminary report. For the reasons outlined below, we urge the United States International Trade Commission (Commission) to address this issue before forwarding its preliminary report to the United States Trade Representative.

In *Bauer Nike Hockey USA, Inc. v. United States*, the Federal Circuit considered the question of the proper tariff classification of ice hockey pants imported by the plaintiff. A copy of the Federal Circuit's decision is attached to this letter as an Appendix. The Federal Circuit noted that the imported merchandise consisted of soft and hard plastic pads and guards contained within a textile shell or covering. This item is worn by hockey players during the game of hockey to protect against injury. The Federal Circuit concluded that the ice hockey pants should be classified under 9506.99.25, HTSUS as "ice-hockey and field-hockey articles and equipment, except balls and skates . . ." because that subheading provides a more specific description of the articles than any of the garment subheadings in chapter 62.

Honorable Marilyn R. Abbott
December 30, 2004
Page 2

Note @ utilitarian level.

On page 160 of Appendix B of the Commission's draft preliminary report, we note that the Commission proposes to add a new note 1(v) to chapter 95. This note would provide that chapter 95 does not cover: "Tableware, kitchenware, toilet articles, carpets and other textile floor coverings, apparel, bed linen, table linen, toilet linen, kitchen linen and similar articles having a utilitarian function (classified according to their constituent material)." It is not clear to us whether the note is intended to preclude articles such as the ice hockey pants imported by Bauer Nike Hockey from classification in chapter 95. However, we note that the Federal Circuit ruled that note 1(e) to chapter 95 did not preclude the hockey pants from being classified in chapter 95 because it determined that classification in chapters 61 and 62 was incorrect.

Accordingly, we suggest that the Commission adopt language that more clearly indicates the purpose of this exclusionary note. We do not believe that the purpose of the note is to exclude all "apparel . . . having a utilitarian function" regardless of that apparel's non-textile constituents from chapter 95. However, this is one possible reading of the language.

Furthermore, we note that 19 U.S.C. § 3005 provides the following parameters for any recommendations that the Commission may make regarding modifications to the Harmonized Tariff Schedule:

-
- (1) The modification must –
 - (A) be consistent with the Convention or any amendment thereto recommended for adoption;
 - (B) be consistent with sound nomenclature principles; and
 - (C) ensure substantial rate neutrality.
 - (2) Any change to a rate of duty must be consequent to, or necessitated by, nomenclature modifications that are recommended under this section.

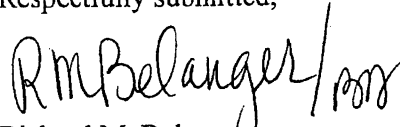
The Federal Circuit decision in *Bauer Nike Hockey USA, Inc. v. United States*, makes clear that sound nomenclature principles dictate that hockey pants be classified in chapter 95. In addition, the statute requires that if the Commission wishes to change the classification of hockey pants to chapter 62, it must do so in a duty rate neutral manner. Thus, a separate classification for hockey pants with a zero duty rate should be created in chapter 62 if the Commission intends to remove hockey pants from classification in chapter 95.

Pursuant to Section 201.8 of the Commission's Rules of Practice and Procedure, we hereby submit an original and fourteen (14) copies of these comments to the Commission.

Honorable Marilyn R. Abbott
December 30, 2004
Page 3

Please feel free to contact the undersigned if you have any questions about the information contained in this submission.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "RMBelanger" followed by a stylized flourish or initials.

Richard M. Belanger
Susan M. Mathews
Counsel to Bauer Nike Hockey USA, Inc.

Enclosure

APPENDIX G

LETTER FROM THE FOREIGN TRADE ASSOCIATION OF SOUTHERN CALIFORNIA



FOREIGN TRADE ASSOCIATION of SOUTHERN CALIFORNIA

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January 14, 2005

Ms. Marilyn R. Abbott
Secretary to the Commission
United States International Trade Commission
500 E Street, S.W.
Washington, D.C. 20436

Re: Comments relating to ITC Investigation 1205-6 of
The Foreign Trade Association of Southern California

Dear Ms. Abbott:

On behalf of The Foreign Trade Association of Southern California (FTA)¹, this letter is in response to the Notice which the U.S. International Trade Commission (ITC) had published in the Federal Register of September 14, 2004, in Investigation No. 1205-6, soliciting public comments on certain proposed modifications to the Harmonized Tariff Schedule of the United States (HTSUS). These modifications resulted from a review by the World Customs Organization of certain chapters of the Harmonized Tariff System (HTS) and are scheduled to be implemented in 2007. The specific proposed modifications with respect to which FTA wishes to submit comments are those in Chapter 95, HTSUS, which cover toys, games, festive articles and sporting equipment. While the ITC September 14, 2004 Notice requested that comments be submitted no later than November 1, 2004, we understand that comments submitted by January 17, 2005 will be accepted and considered.

In commenting on the ITC's specific proposals, FTA understands that, among other things, the purpose of the proposals to amend the HTSUS and the Explanatory Notes to the Harmonized System (ENs) is to provide clarity, uniformity and ease in the classification of goods, and is not intended to effectuate changes in classifications or rates of duty. In this regard, Section 1205 of The Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. §3005 (d)(C)) requires that, in making recommendations to change the HTSUS, the ITC "ensure substantial rate neutrality." Accordingly, the applicable statute prohibits changes which would substantially alter the rates of duty assessed on imported goods.

¹ Established in 1919, FTA is a private, non-profit trade association that represents over 230 members of the international trade community, and is the oldest organization promoting international trade in Southern California. The membership includes major exporters, importers, manufacturers, customhouse brokers, freight forwarders, international bankers, attorneys and other prominent service industries.

Additionally, in the United States, the courts having jurisdiction over customs classification matters, have made it very clear that the ENs are advisory only, and that any conflict or ambiguity between the language of the tariff and that in the ENs is to be decided in favor of the legal language in the tariff. Accordingly, proposals to change the legal text of the tariff in an attempt to provide greater clarity and uniformity require particular scrutiny to insure that deviations from established law and practice in classification, and/or changes in applicable rates of duty do not result from proposed changes in the language of the HTS and the ENs.

Bearing in mind the above general principles, FTA submits the following comments on three of the ITC's specific proposals affecting Chapter 95, as follows:

1. NEW CHAPTER NOTE 1(v) IS INCONSISTENT WITH THE STRUCTURE OF CHAPTER 95, HTSUS, AND THE CURRENT LEGAL INTERPRETATIONS OF ITS PROVISIONS.

The modifications to Chapter 95 include a proposal to add an additional Note 1(v), which would exclude from classification in that Chapter the following goods:

Tableware, kitchenware, toilet articles, carpets and other textile floor coverings, apparel, bed linen, table linen, toilet linen, kitchen linen and similar articles having a utilitarian function (classified according to their constituent material).

Thus, tableware, kitchenware, toilet articles and numerous types of textile articles, including "apparel," are excluded from Chapter 95 if they have any utilitarian function. In addition, undefined "similar articles" are also excluded.

a. NEW CHAPTER NOTE 1(v) WILL ADVERSELY IMPACT THE CLASSIFICATION OF TOYS.

In the United States, the determinative criterion in classifying an article as a toy or a part or accessory of a toy, is whether the article is principally designed for the amusement of children or adults.² This criterion is expressed internationally in the Explanatory Notes (ENs) to the HTS, in the General Notes to Chapter 95, as follows:

² See: Ero Industries, Inc. v. United States, Slip Op. 00-138 (CIT 2000) in which play houses and play tents were classified as toys; J.C. Penney Purchasing Corp. v. United States, 10 CIT 727 (1986) in which small plastic replicas of cash registers incorporating a battery-operated calculator were classified as toys; Ideal Toy Corp. v. United States, 78 Cust. Ct. 28, 33 C.D. 4688 (1977) in which a baby play float was classified as a toy; United States v. Topps Chewing Gum, Inc., 440 F. 2d 1384 (CCPA 1971) in which round metal buttons imprinted with humorous slogans were classified as toys; Carson M. Simon & Co. v. United States, 66 Cust. Ct. 107, C.D. 4177 (1971) in which functional ukeleles were classified as toys; Montgomery Ward & Co. v. United States, 62 Cust. Ct. 718, C.D. 3853 (1969) in which functional

This Chapter covers toys of all kinds whether designed for the amusement of children or adults. It also includes equipment for . . . games, . . . and apparatus for sports, gymnastics or athletics . . . fishing, hunting or shooting, and roundabouts and other fairground amusements.

Each of the headings of the Chapter also covers identifiable parts and accessories of articles of this Chapter which are suitable for use solely or principally therewith and **provided** they are **not** articles excluded by Note 1 to this Chapter.

Additionally, this amusement criterion is restated in the ENs to Heading 95.03, as follows:

This heading covers toys intended essentially for the amusement of persons (children or adults).

Finally, the ENs to Heading 95.03 make it clear that articles principally designed for amusement remain classifiable under Chapter 95 even though they may also have other limited uses, as follows:

Certain toys (e.g., electric irons, sewing machines, musical instruments, etc.) may be capable of a limited "use"; but they are generally distinguishable by their size and limited capacity from real sewing machines, etc.

Notwithstanding this well-established amusement criterion, proposed Note 1(v) would exclude all goods "having a utilitarian function (classified according to their constituent material)" from classification in Chapter 95. This will lead to much confusion and to unintended results because it is inconsistent with the amusement principal criterion, with the present exclusions to Note 1, and with numerous rulings that toy tableware, kitchenware, and textile articles are presently classifiable in Chapter 95.

b. NEW PROPOSED CHAPTER NOTE 1(v) WILL CONFLICT WITH JUDICIAL PRECEDENTS CONCERNING THE CLASSIFICATION OF FESTIVE ARTICLES.

If adopted, proposed new Note 1(v) will apply to all of Chapter 95, including Heading 9505, HTSUS, and will conflict with recent judicial determinations clarifying the scope of this provision. These cases include:

accordians were classified as toys; William Shaland Corp. v. United States, 280 F. Supp. 457 (CIT 1968) in which functional telescopes were classified as toys; and George G. Wagner Co. v. United States, 43 Cust. Ct 360, Abs. 63419 (1959) in which miniature food mixers used for training children were classified as toys.

In Midwest of Cannon Falls, Inc. v. United States, 20 CIT 123 (1996), *aff'd in part, rev'd in part*, 122 F.3d 1423, App. Nos. 96-1271 and 1279 (Fed. Cir. 1997) in which the Court of Appeals for the Federal Circuit held that certain articles made from textiles, earthenware, ceramics, resin and other materials were classified as festive articles in Chapter 95, provided that:

- They are not predominately of precious or semiprecious stones, precious metal or metal clad with precious metal
- They function primarily as a decoration or functional item used in celebration of and for entertainment on, a holiday
- They are associated with or used on a particular holiday

In so holding, the Court did not limit its decision to any particular type of article. Indeed, several of the goods held to be festive articles can readily be determined to fit within the broad categories of utilitarian articles which would be excluded from classification in Chapter 95 by proposed new Note 1(v).

Park B. Smith, Ltd. v. United States, Slip Op. 01-63 (CIT 2001), *aff'd in part, vacated in part*, 347 F.3d 922 (Fed. Cir. 2003), concerned the classification of 62 textile articles consisting of placemats, table napkins, table runners, and woven rugs, many of which were decorated with holiday symbols such as Santa Claus, Christmas trees and wreaths, Halloween ghosts, Easter bunnies and flag motifs, or with colorful designs in solid colors that are often associated with holidays or seasons, such as red and green for Christmas, and brown and orange for autumn. The Court held that articles with symbolic content associated with a particular recognized holiday, meet the Midwest criteria and are prima facie classifiable as festive articles.

Rubie's Costume Co. v. United States, App. No. 02-1373 (Fed. Cir. 2003) concerned the tariff classification of Halloween costumes in toddler, child and adult sizes, which are of flimsy construction, not durable, and which are not made for repetitive or continuous use. In this case, the Court of Appeals for the Federal Circuit interpreted the exclusion in Chapter 95, Note 1(e) for "fancy dress, of textiles, of Chapter 61 or 62," and concluded that such costumes are not a type of "wearing apparel" classifiable in Chapter 61 or 62, and, therefore, held that they are classifiable as festive articles in Heading 9505, HTSUS.

The holding in the Rubie's case has also been applied by Customs to dress-up sets which include textile articles, which are sold year round in toy stores, and which are currently classified as festive articles in Heading 9505, HTSUS, and not as toys. Accordingly, the proposed new Note 1(v) will adversely affect this class of merchandise, as well as the Halloween costumes which were the subject of the Rubie's case.

The adoption of proposed new Note 1(v) would likely alter the current tariff classification of the classes or kinds of articles on which the courts have already ruled, and would lead to their

exclusion from classification in Chapter 95. Many of the excluded textile articles affected would require classification in Chapter 61 or 62, which have substantially higher rates of duty than those found in Chapter 95. In order to correctly deal with the restrictions on rate changes, if proposed new Note 1(v) is incorporated into the HTSUS, it will require the creation of new HTSUS Subheadings in every chapter in which goods will be reclassified, with rates of duty not substantially different from those currently found in Chapter 95. Such a project would entail an enormous amount of work for the government agencies involved, and would likely meet with objections from domestic interests which would oppose the creation of subheadings carrying zero rates of duty in the HTSUS chapters involved.

c. NEW CHAPTER NOTE 1(v) WOULD ADVERSELY AFFECT THE CLASSIFICATION OF SPORTING EQUIPMENT.

In addition to adversely affecting the classification of toys and festive articles, proposed new Note 1(v) would adversely affect the classification of textile sporting equipment currently classified in Heading 9506, HTSUS. In the very recent decision of the Court of Appeals for the Federal Circuit issued on December 20, 2004 in Bauer Nike Hockey USA, Inc. v United States, App. No. 04-1158 (Fed. Cir. 2004), the Court considered the tariff classification of textile ice-hockey pants and concluded that they are a type of ice-hockey equipment classifiable in Subh. 9506.99.25, HTSUS, and not within the provision applied by U.S. Customs for "sports clothing" in Subh. 6211.33.00, HTSUS, which is presently excluded from Chapter 95 by Note 1(e).

Based on these adverse effects on U.S. imports, the ITC should recommend that proposed new Note 1(v) not be included in the HTSUS, and should file a reservation in the World Customs Organization to obtain reconsideration of this provision at the next meeting of the Harmonized System Committee. Alternatively, if it is determined that new Note 1(v) should be retained, FTA recommends that its application be limited to articles having exclusively a utilitarian purpose, which are not designed for the amusement of children or adults (toys), and which do not otherwise meet the definitions of toys, festive articles and sporting equipment established by the courts.

2. THE INTENT OF THE PROPOSED NEW CHAPTER NOTE 4 SHOULD BE CLARIFIED TO INSURE THAT THE TOY INDUSTRY WILL NOT BE ADVERSELY AFFECTED.

The proposed changes to the HTSUS include the addition of a new Chapter Note 4 to define "toy sets" which are currently classified in Subh. 9503.70.00, HTSUS. Subh. 9503.70.00 now covers, "other toys, put up in sets or outfits, and parts and accessories thereof." The proposed new Chapter Note 4 would define "toy sets", as follows:

Subject to the provisions of Note 1 above, heading 95.03 applies, *inter alia*, to articles of this heading combined with one or more items, which cannot be considered as sets under the terms of General Interpretative Rule 3(b), and which, if

presented separately, would be classified in other headings, provided the articles are put up together for retail sale and the combinations have the essential character of toys.

Currently, there is no definition of the term "toys put up in sets or outfits" contained in Subh. 9503.70.00, HTSUS. However, there are detailed definitions and discussions of this phrase contained in the EN to Heading 95.03 and in the EN to Subh. 9503.70, which are too extensive to reproduce as a Chapter Note in the body of the HTSUS.

EN 95.03(A) currently includes descriptions of some of the types of toys classifiable under that provision, a few of which, such as construction sets, toy sporting equipment sets, farmyard sets, etc. are specifically mentioned as being toy "sets." This EN then states, in pertinent part, as follows:

Certain of the above articles (toy arms, tools, gardening sets, tin soldiers, etc.) are often put up in sets.

* * *

Collections of articles, the individual items of which if presented separately would be classified in other headings in the Nomenclature, are classified in this Chapter when they are put up in a form clearly indicating their use as toys (e.g., instructional toys such as chemistry, sewing, etc., sets).

The EN to Subh. 9503.70 further clarifies the definition of "Sets" and "Outfits" as follows:

Subject to substantiated classification in heading 95.03 and for the purpose of this subheading:

- (i) "Sets" are two or more different types of articles (principally for amusement), put up in the same packing for retail sale without repacking. Simple accessories or objects of minor importance intended to facilitate the use of the articles may also be included.
- (ii) "Outfits" are two or more different articles put up in the same packing for retail sale without repacking, specific to a particular type of recreation, work, person or profession.

This clear and detailed explanation in the ENs has been relied on extensively by customs administrations and importers of toys, in determining whether products are toy sets or outfits classifiable under Subh. 9503.70.00, or whether, alternatively, each component in a collection of articles is separately classifiable in different tariff headings.

a. THE PROPOSED DEFINITION OF TOY SETS IN NEW CHAPTER NOTE 4, IN COMBINATION WITH PROPOSED NEW NOTE 1(v), WOULD RESULT IN UNSATISFACTORY CHANGES IN THE CLASSIFICATION OF TOY SETS.

As previously discussed, proposed new Note 1(v) excludes from classification in Chapter 95 entirely new classes of goods which have never before been excluded. Furthermore, the inclusion of the phrase "Subject to the provisions of Note 1 above," in proposed new Chapter Note 4, should be clarified so it will not preclude any collection of articles containing one of the named categories of merchandise in Note 1(v) from being classified as a toy set, even though the current ENs specifically indicate that, "Collections of articles, the individual items of which if presented separately would be classified in other headings in the Nomenclature, are classified in this Chapter when they are put up in a form indicating their use as toys." The inclusion of this phrase would also preclude collections of articles containing any of the other products already excluded by Chapter 95 Note 1 from classification as toy sets in Chapter 95, when imported separately. The inclusion of this phrase at the beginning of proposed new Chapter Note 4 should not be interpreted to change established practice or cause any articles currently classified as toy sets to become individual components for separate classifications, a result which is clearly not in the interest of either the toy industry or the Government.

For example, under proposed new Chapter Note 4, a construction or science kit composed of numerous different components, but which also includes a pump, an electric motor and a transformer would not be classifiable as a toy set, as it contains components specifically excluded from classification in Chapter 95 by current Chapter Note 1(m), and which is specifically made "Subject to the provisions of Note 1" by proposed new Note 1(v). Other examples include:

- A toy cleaning cart set, composed of a plastic cleaning cart, toy broom, toy brush, toy dust pan, and flimsy textile apron, would no longer be classifiable as a toy set because of the inclusion of the textile apron.
- A toy doll carriage accessory set composed of a doll carriage mattress, textile mattress cover, toy rattle and toy milk bottle, would not be classified as a toy set because of the inclusion of the mattress cover.
- Toy arts and crafts sets consisting of numerous types of components, including parts of general use which are excluded by current Chapter 95 Note 1(k), paints, chalk, clay, pencils, beads, textile yarn and loops, toy scissors, paper, and glue, etc. would not be classifiable as toy sets because of the inclusion of the parts of general use.

Because the intent of current Chapter 95 Note 1 is to exclude from classification in that chapter named articles **only** when either imported alone, or when they are not suitable for use solely or principally as parts and accessories of other articles classifiable in Chapter 95, there are several possible ways to clarify the intent of the phrase, "Subject to the provisions of Note 1 above" in proposed new Chapter 95 Note 4. These could include, among other things,

changing the words "Subject to" to "Notwithstanding," or by including the phrase "or which are otherwise components of toy sets or outfits" in current Chapter 95 Note 3 so it would read, as follows:

Subject to note 1 above, parts and accessories which are suitable for use solely or principally with articles of this chapter or which are otherwise components of toy sets or outfits are to be classified with those articles in this chapter.

b. THE TARIFF OR THE EXPLANATORY NOTES MUST ADDRESS THE INCLUSION IN COLLECTIONS OF ARTICLES, OF ITEMS OF MINOR VALUE OR IMPORTANCE WHICH ARE NOT STRICTLY PARTS OF TOY SETS.

Currently, articles of minor value or importance which are not strictly parts of toy sets are classifiable with the remainder of the set, whether or not those components are classified in Chapter 95 (see EN to 9503.70 quoted above at page 6). One example is a set of toy automobiles, trucks, airplanes and ships, packaged with trading or informational cards, which are classifiable in Chapter 49 if imported separately. Because the cards are of little value in relation to the value of toy automobiles, trucks, airplanes and ships, they are presently classified with the set, even though they are not strictly a component thereof.

Continuation of this established practice should be ensured by retaining in the ENs a reference to the fact that articles of incidental value or little value in relation to the remainder of a toy set may be included in toy sets.

c. THE REFERENCE TO "ESSENTIAL CHARACTER" IN PROPOSED NEW CHAPTER NOTE 4 REQUIRES CLARIFICATION.

Proposed new Chapter Note 4 introduces the concept of "essential character" into the classification of toy sets and outfits. Previously, this concept was not specifically used in determining whether a collection of articles is classifiable as a toy set. Rather, in the past, only the less subjective standard of whether the collection was principally designed for the amusement of children or adults was used to determine the classification of toy sets. Accordingly, there should be clarification that the use of the phrase "essential character" was not intended as a substitute for the use of the "principal amusement" test in classifying all toys.

d. THE EXPLANATORY NOTES SHOULD CONTINUE TO DEFINE TOY SETS AND OUTFITS IN DETAIL.

The current ENs to Heading 9503 define and discuss toy sets and outfits in great detail. These ENs include subheading notes specifically defining toy sets and outfits. These ENs, as well as the other ENs to Chapter 95 defining and discussing toy sets and outfits, should be

retained to insure that importers and customs administrations understand what is intended to be classified as a toy set.

3. THE PROPOSED CONSOLIDATION OF CURRENT HEADINGS 95.01 AND 95.02 WITH HEADING 95.03 SHOULD INCLUDE REFERENCE TO TOY SETS AND PARTS AND ACCESSORIES OF TOYS.

The ITC proposes to consolidate current Headings 95.01, 95.02 and 95.03 into one heading. Currently, Heading 95.01 covers "wheeled goods designed to be ridden by children . . . dolls' carriages and dolls' strollers [and] parts and accessories thereof." Current Heading 95.02 covers "dolls representing only human beings and parts and accessories thereof." Current Heading 95.03 is a so-called "basket" provision covering "other toys, reduced-size . . . models and similar recreational models . . . puzzles . . . [and] parts and accessories thereof."

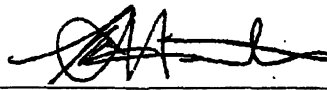
While the toy industry supports consolidating the toy provisions in Chapter 95 to make classification as simple as possible, the well-defined references to toy sets and outfits need to be retained in the legal language of the tariff and Explanatory Notes to insure that the many rulings of customs administrations and the courts are retained and that toy sets continue to be classified in accordance with established practice. Additionally, some reference to parts and accessories of toys needs to appear in the text to insure that identifiable parts and accessories of toys are classified in the new Heading.

We greatly appreciate being afforded the opportunity to submit these substantive comments, and urge the ITC to give careful consideration to the potential problems which can occur if the present proposals are put into effect.

Respectfully submitted,

FOREIGN TRADE ASSOCIATION OF SOUTHERN CALIFORNIA

By



Nancy Hiromoto
President

APPENDIX H

LETTER FROM THE TOY INDUSTRY ASSOCIATION

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January 26, 2005

Ms. Marilyn R. Abbott
Secretary to the Commission
United States International Trade Commission
500 E Street, S.W.
Washington, D.C. 20436

Accepted per
Mr. Heller (TIA)
1-27-05

RECEIVED
OFFICE OF THE SECRETARY
JAN 27 PM 12:25

**Re: Comments on ITC Investigation 1205-6
Toy Industry Association**

Dear Ms. Abbott:

On behalf of our client, the Toy Industry Association (TIA), an organization representing 425 companies involved in the production, marketing and distribution of toys, games, festive articles, and other similar products, we hereby submit additional comments on select proposed modifications to Chapter 95 of the Harmonized Tariff Schedule of the United States (HTSUS) and to the international Explanatory Notes (EN's) to the Harmonized System (HS).¹ The proposed changes, which are to be implemented in 2007, arose in connection with a review by the World Customs Organization (WCO), in which the United States participated.

Proposed Chapter Note 4

Use of the Phrase "Subject to the Provisions of Note 1 Above"

Proposed Note 4 arose from a concern raised by TIA and its members, about the interpretation of the text of heading 9503, HTS, and of Harmonized System (HS) Explanatory Note (EN) 95.03(A), which provides:

¹ In a notice published in the Federal Register of September 14, 2004, the U.S. International Trade Commission (ITC) solicited public comments on the proposed HTSUS modifications. While the notice requested that comments be submitted by November 1, 2004, we understand that comments submitted this week will be accepted. Moreover, TIA already has conveyed its concerns in verbal discussions with ITC officials and this letter simply memorializes these discussions.

Collections of articles, the individual items of which if presented separately would be classified in other headings in the Nomenclature, are classified in this Chapter when they are put up in a form clearly indicating their use as toys (e.g., instructional toys such as chemistry, sewing, etc., sets).

In the view of TIA, although certain sets were classifiable in heading 9503 because of this EN, other collections of articles that, according to the Customs Service's interpretation, did not qualify as sets under General Rule of Interpretation (GRI 3(b), were being wrongly precluded from classification as toys. Accordingly, TIA and its members proposed a new chapter note that would incorporate the language of this Explanatory Note, rendering it crystal clear that collections of articles that, as a whole, are used as toys, will be classified as such in heading 9503, HTS, regardless of their qualification as sets under GRI 3(b) and regardless of whether some or all of the individual components of the sets are classifiable in other headings of the tariff, as follows:

Subject to the provisions of Note 1 above, heading 95.03 applies, *inter alia*, to articles of this heading combined with one or more items, which cannot be considered as sets under the terms of General Interpretative Rule 3(b), and which, if presented separately, would be classified in other headings, provided the articles are put up together for retail sale and the combinations have the essential character of toys.

While the original language proposed by TIA and its members for new Chapter Note 4 did not include the phrase "subject to the provisions of Note 1," it is TIA's position that the meaning of the note has not been changed as a result thereof. The intent of the Note was to provide that collections of articles that are used as toys, containing components that when imported separately are precluded from classification in Chapter 95, either by exclusions in Note 1 to Chapter 95 or for other reasons, will remain classifiable in heading 9503 as a result of this Chapter Note. The phrase "subject to the provisions of Note 1" is, therefore, in keeping with this interpretation.

Accordingly, TIA seeks confirmation from the ITC that sets used as toys are not precluded from classification in heading 9503, regardless of whether their components may be excluded by Note 1, if the sets otherwise meet the tariff definition of toys.

Inclusion of Articles of Minor Value or Importance

It is also TIA's understanding that the language of proposed Note 4 preserves the current practice of classifying articles of minor value or importance with the remainder of toys sets, inasmuch as it specifically contemplates collections of articles that do not qualify as sets under GRI 3(b). Nevertheless, TIA supports the retention of HS Explanatory Notes that have always made it clear that articles of incidental value or little value are classifiable with toys in the provisions applicable to toy sets.

Use of the Phrase "Have the Essential Character of Toys"

The language used in the proposed Note is intended to make heading 9503 more inclusive, rather than more restrictive. The requirement that the collections of articles "have the essential character of toys" is reinforcing the intent that they are clearly to be used as toys, even though they may contain non-toy components. The definition of what constitutes a toy is well-settled; that is, an article that is principally designed for the amusement of children or adults. This definition is not changed by the phrase used in the note and, in fact, could be interchangeable with the phrase.

Proposed Note 4 is Intended to Render Chapter 95 More Inclusive

It is clear from this review of the background and history of proposed Note 4 that the intent was to ensure that toy products that may have been precluded from toy classification in the past by virtue of certain technicalities in the tariff remain classifiable in Chapter 95, HTSUS. The note is not intended to replace existing legal and interpretive text, nor is it intended to restrict the interpretation of that text so as to affect products that already are classifiable in Chapter 95 under the existing body of law.

Proposed New Chapter Note 1(v) Represents a Significant Change of the Legal Text of Chapter 95 and of Judicial and Administrative Interpretation Thereof and Should Not Be Adopted

TIA already has expressed its concerns to ITC officials that proposed Note 1(v), that would exclude utilitarian articles from Chapter 95, HTSUS, is inconsistent with the current legal text of the chapter and conflicts with current legal interpretations of that text. Therefore, TIA simply reiterates its position that: (1) the new chapter note will adversely impact the classification of toys; (2) the new note will conflict with judicial precedents on the classification of festive articles; and (3) the note may adversely affect the classification of sporting equipment.

In effect, this proposed note could dramatically change the historic interpretation of many of the provisions in Chapter 95, HTSUS, to the detriment of the toy, game, festive article and sporting goods industries. Thus, the inclusion of this note would be contradictory to the charge given the ITC to "ensure substantial rate neutrality" in making recommendations for changes to the HTSUS. Accordingly, TIA urges the ITC to remove proposed new Note 1(v) from the proposed changes to the HTSUS.

The Legal Notes and Explanatory Notes Should Maintain Reference to Toys Sets and Parts and Accessories of Toys in Connection With the Proposed Consolidation of Headings 9501 and 9502 with Heading 9503

TIA also agrees with concerns raised about the removal of well-defined references to toy sets and outfits in the legal notes and Explanatory Notes. The consolidation of the headings, which will be of great benefit to the toy industry and which TIA fully supports, is not meant to result in the elimination of any products currently provided for in the various headings. Accordingly, existing notes referring to toy sets, parts and accessories, must be retained to avoid potential incorrect interpretations of the text.

TIA stands ready to assist the ITC in finalizing the proposed changes to the Harmonized Tariff Schedules of the United States and the Explanatory Notes as they relate to the provisions of Chapter 95. If you have any questions, please contact the undersigned.

Respectfully submitted,



M. Barry Levy

Donna L. Shira

Customs & International Trade Counsel
Toy Industry Association

APPENDIX I

LETTERS FROM U.S. CUSTOMS AND BORDER PROTECTION

U.S. Department of Homeland Security
Washington, DC 20229



U.S. Customs and
Border Protection

FEB 22 2005

CLA-02 RR:CR:IN
009606 SS

Marilyn R. Abbott, Secretary
United States International Trade Commission
500 E Street, SW
Washington, DC 20436

Re: International Trade Commission Investigation No. 1205-6, Proposed Modifications to the Harmonized Tariff Schedule of the United States Pursuant to Section 1205 of the Omnibus Trade and Competitiveness Act, Conforming Amendments to the Harmonized Tariff Schedule of the United States to Promote Uniform Application of the Harmonized System and Certain "Adverse" Harmonized System Committee Decisions

Dear Secretary Abbott:

This letter is in response to your request for comments on International Trade Commission (ITC) Investigation No. 1205-6 regarding proposed modifications to the Harmonized Tariff Schedule of the United States (HTS) and possible amendments to the HTS related to certain decisions of the Harmonized System Committee of the World Customs Organization which were adverse to the positions taken by the United States. We appreciate the opportunity to comment on these matters and regret the delay in responding.

Introduction

On September 8, 2004, the Commission instituted investigation No. 1205-6, Proposed Modifications to the Harmonized Tariff Schedule of the United States, pursuant to section 1205 of the Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. 3005). Section 1205 directs the Commission to keep the Harmonized Tariff Schedule of the United States (HTS) under continuous review and to recommend to the President modifications to the HTS (1) when amendments to the International Convention on the Harmonized Commodity Description and Coding System (Harmonized System) are recommended by the World Customs Organization (WCO) for adoption, and (2) as other circumstances warrant.

The Commission has drafted a preliminary report which sets forth proposed changes in the HTS that would be needed to maintain conformity between the HTS and the International Harmonized System. The majority of the proposed changes are the

result of work of the WCO and its Harmonized System Committee (HSC) to update and clarify the Harmonized System nomenclature, as part of the WCO's long-term program to periodically review the nomenclature structure. In accordance with Article 16 of the Harmonized System Convention, the WCO has recommended the adoption of certain modifications to the Harmonized System. The changes are due to become effective in January 2007. The report also describes proposed changes to conform the HTS to the WCO's recommendations and reflect in the HTS certain other decisions taken by the HSC.

It is our understanding that the Commission will forward its preliminary report to the United States Trade Representative (USTR) on or about February 28, 2005. The preliminary report will include proposed modifications to (1) conform the HTS to recommended Harmonized System amendments, (2) promote uniform application of the Harmonized System by conforming the HTS with decisions of the WCO and (3) alleviate administrative burdens, as well as other matters that may be recommended. The Commission is scheduled to submit its final report to the President on March 15, 2006.

In order to promote uniform application of the Harmonized System, this office has undertaken a review of all HSC decisions adverse to the positions taken by the United States since May 1999. Although the United States is able to classify in accordance with most of the decisions, we have determined that there are five (5) decisions that pose unique problems and will require conforming amendments to the HTS in order to classify certain products in accordance with the decisions of the HSC.

Decisions and Recommendations

1. Drilled and Notched Lumber

At the 23rd session of the HSC in October 1999, and again at the 24th session, the Committee decided that drilled lumber studs were classified in heading 4418 rather than 4407. The U.S. takes the view that the drilled lumber studs are not sufficiently advanced to be considered builders' joinery of heading 4418 and classifies drilled lumber studs in heading 4407.

The classification of drilled lumber studs is closely related to the classification of notched lumber studs. The classification of notched lumber studs was raised at the 24th session of the HSC. However, at the 25th session of the HSC, the item was deleted from the Agenda.

It is our belief that the HSC decision does not provide a legally sufficient basis for classification of drilled or notched lumber studs in heading 4418. Accordingly, we respectfully request that the ITC draft an additional U.S. note to exclude drilled or notched lumber studs from heading 4407. Additionally, we request that the ITC create a new 8-digit provision for drilled or notched lumber studs in subheading 4418.90. This would enable us to classify in accordance with the decision of the HSC.

2. Safety Seats for Infants and Toddlers

At the 30th session of the HSC, the Committee decided that safety seats for infants and toddlers were classified in subheading 9401.80 as other seats. The United States takes the view that child safety seats are classified under subheading 9401.20 as seats of a kind used for motor vehicles.

It is our belief that the HSC decision does not provide a legally sufficient basis for classification of child safety seats in subheading 9401.80. Accordingly, we respectfully request that the ITC draft an additional U.S. note to indicate that child safety seats are excluded from subheading 9401.20. We also request that the ITC move current subheading 9401.20.0010, which specifically provides for "child safety seats" to a new provision within subheading 9401.80. This would enable us to classify in accordance with the decision of the HSC.

3. Certain Hygienic Articles Transferred from 3926 to 3924

At the 31st session of the HSC, in May 2003, the Committee decided to classify "teats for baby bottles (nursing nipples)" and "finger-stalls" of plastic in subheading 3924.90 which provides for other household or toilet articles. The US took the view that the products were hygienic articles covered by heading 3926 (the residual provision for other articles of plastic).

Currently, the US does not believe that there is a legally sufficient basis for the classification finger-stalls and nursing nipples in heading 3924. However, the term "hygienic" will be added to the legal text of heading 3924 in 2007. Accordingly, in 2007, hygienic articles, such as nursing nipples and finger cots, should be classified within heading 3924.

The addition of the term "hygienic" will provide a legal basis for the classification of finger-stalls and nursing nipples in heading 3924. We request that the terms "nursing nipples" and "finger cots" be removed from the text of subheadings 3926.90.15 and 3926.90.20, HTSUS. It appears that new eight-digit provisions in heading 3924 for nursing nipples and finger cots may be necessary.

Additionally, we note that subheading 3926.90.20, HTSUS, specifically provides for "crutch tips and grips" and "sanitary belts." After reflecting on this matter, we believe that crutch tips and grips" are classified in heading 9021 rather than Chapter 39. Furthermore, we believe that sanitary belts are not made of plastic. Accordingly, we recommend the deletion of these items from subheading 3926.90.20, HTSUS.

4. Multi-Layer Parquet Panels

At the 34th session of the HSC, the Committee decided that certain multi-layer flooring panels were classified in subheading 4418.30 as "parquet panels" rather than heading 4412 as "plywood, veneered panels and similar laminated wood." Each panel was described as having a top layer of wood measuring 4 mm in thickness. The HS describes sheets for veneering or plywood as not exceeding 6 mm in thickness. Since

the top layer did not exceed 6 mm, the products meet the description of veneered or laminated panels of heading 4412. CBP does not believe the Committee decision provided a legally sufficient basis for classifying these products in heading 4418.

We believe that the decision of the Committee does not disturb the classification of panels which have a top layer which is less than 4 mm in thickness (i.e., we can continue to classify these in heading 4412 as veneered or laminated panels). Furthermore, the decision does not disturb the classification of panels which have a top layer which is greater than 6 mm in thickness (i.e., we can continue to classify in heading 4418). However, in order to classify in accordance with the HSC decision, we must modify the way we treat panels which have a top layer which is between 4 mm and 6 mm in thickness. Moving all multi-layer panels to heading 4418 regardless of the thickness of the top layer is not an option. We note there are decisions from the 18th and 28th sessions of the HSC classifying multi-layer panels with very thin veneers (e.g., .03 mm) in heading 4412.

We respectfully request that the ITC create an additional U.S. note to heading 4412 to exclude flooring panels which have a top layer that is between 4 mm and 6 mm in thickness. We also request that the ITC create 8-digit provisions within new subheadings 4418.71 (mosaic) and 4481.72 (multi-layer) for multi-layer panels where the top layer is 4mm to 6mm in thickness. This would allow us to classify in accordance with the HSC decision.

It should be noted that CBP maintains the view that the products at issue are currently classified in heading 4412. This view is consistent with the decision in *Boen Hardwood Flooring Inc. v. United States*, 357 F.3d 1262 (Fed. Cir. 2004). We would like to emphasize that the creation of the additional U.S. note and new subheadings in heading 4418 will enable CBP to classify in accordance with the HSC decision (i.e., classify in heading 4418 rather than heading 4412).

5. Photo Frame Albums

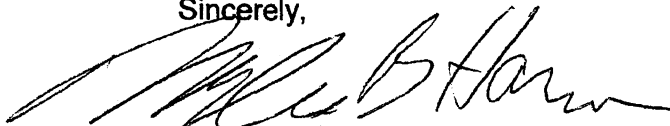
At HSC 34, the Committee decided that photo frame albums were classified in subheading 3926.90 rather than subheading 3924.90 (as other household or toilet articles of plastic). The U.S. position that the photo frame albums were classified in heading 3924 was based on the fact that we have well-established precedent classifying plastic photo albums in subheading 3924.90.55 as other household articles.

It is our belief that there is insufficient legal basis for classification of plastic photo albums in heading 3926. Accordingly, we respectfully request that the ITC draft an additional U.S. note to indicate that plastic photo albums are excluded from heading 3924 and are classified in heading 3926. Additionally, we request that the ITC create an 8-digit provision for "photo albums" within subheading 3926.90. The creation of an additional U.S. note and subheading regarding photo albums would allow us to classify in accordance with the Committee's decision on photo frame albums.

Conclusion

As described above, we recommended that certain changes be made to the HTS in order to promote greater uniformity in the application of the Harmonized System and decisions of the Harmonized System Committee. Again, we thank you for the opportunity to comment on this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Myles B. Harmon". The signature is fluid and cursive, with a long horizontal stroke at the end.

Myles B. Harmon, Director
Commercial Rulings Division

[dated February 25, 2005]

CLA-02 RR:CR:IN
009651 BtB

Marilyn R. Abbott, Secretary
U.S. International Trade Commission
500 E Street, SW
Washington, DC 20436

Re: Comments to Comments Submitted to ITC Regarding the Proposed Amendments
to the Harmonized Tariff Schedule of the United States: Investigation No. 1205-6

Dear Secretary Abbott:

This letter is in response to your request for our views on comments submitted to the ITC regarding amendments to the Harmonized Tariff Schedule of the United States (HTS) proposed by the International Trade Commission (ITC) in Investigation No. 1205-6. U.S. Customs and Border Protection (CBP) appreciates the opportunity to comment and we regret the delay in responding.

Specifically, we are addressing comments submitted by the Foreign Trade Association of Southern California (hereinafter "FTASC") and Sidley, Austin, Brown and Wood LLP, on behalf of Bauer Nike Hockey USA, Inc. (hereinafter "Bauer"), regarding certain proposed amendments to Chapter 95 of the HTS.

Background

On September 8, 2004, the Commission instituted investigation No. 1205-6, Proposed Modifications to the Harmonized Tariff Schedule of the United States, pursuant to section 1205 of the Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. 3005). Section 1205 directs the Commission to keep the Harmonized Tariff Schedule of the United States (HTS) under continuous review and to recommend to the President modifications to the HTS (1) when amendments to the International Convention on the Harmonized Commodity Description and Coding System (Harmonized System) are recommended by the World Customs Organization (WCO) for adoption, and (2) as other circumstances warrant.

The Commission has drafted a preliminary report which sets forth proposed changes in the HTS that would be needed to maintain conformity between the HTS and the International Harmonized System. The majority of the proposed changes are the result of work of the WCO and its Harmonized System Committee (HSC) to update and clarify the Harmonized System nomenclature. In accordance with Article 16 of the Harmonized System Convention, the WCO has recommended the adoption of certain modifications to the Harmonized System. Pursuant to Article 16, the changes are due to become effective internationally in January 2007. The report also describes proposed changes to conform the HTS to the WCO's recommendations and reflect in the HTS certain other decisions taken by the HSC.

It is our understanding that the Commission will forward its preliminary report to the United States Trade Representative (USTR) on or about February 28, 2005. The Commission is scheduled to submit its final report to the President on March 15, 2006.

Comments

The FTASC takes issue with new Note 1(v) to Chapter 95. Note 1 to Chapter 95 sets forth the exclusions from the chapter. Note 1(v) provides as follows:

Tableware, kitchenware, toilet articles, carpets and other textile floor coverings, apparel, bed linen, table linen, toilet linen, kitchen linen and similar articles having a utilitarian function (classified according to their constituent material).

The FTASC argues that the new Note 1(v) will adversely impact the classification of toys.

As an initial matter we observe that under the Harmonized System Convention, the United States as a contracting party is obliged to apply the legal text of the convention of which this new note is a part. Moreover, as discussed at the HSC, the intent of Note 1(v) is not to alter the classification of toys but to reflect the existing scope of chapter 95. Accordingly, articles principally for the amusement of children or adults will continue to be classified as toys in Chapter 95 (under new provision 9503.00.00, HTS).

The FTASC also claims that Note 1(v) will conflict with certain judicial precedents concerning the classification of festive articles. While we do not see a conflict between the note and festive articles generally, we acknowledge that there is a conflict in regard to a limited class of merchandise. Specifically, in the case of Midwest of Cannon Falls, Inc. v. United States, 122 F.3d 1423 (Fed. Cir. 1997), the court ruled that certain articles which are decorative tableware or kitchenware, among other things, were classifiable as "festive articles." Pursuant to the holding in Midwest, utilitarian/functional articles that are three-dimensional representations of an accepted symbol for a recognized holiday have been classified as festive articles in Chapter 95. Note 1(v) appears to conflict with this implementation of the holding in Midwest by specifically excluding all tableware and

kitchenware having a utilitarian function from Chapter 95. As a result of Note 1(v), utilitarian/functional tableware and kitchenware that are three-dimensional representations of an accepted symbol for a recognized holiday may be classified in provisions outside of Chapter 95. To ensure substantial rate neutrality for those articles, we recommend that breakouts for them be inserted in the provisions in the HTS covering tableware and kitchenware.

FTASC also expressed concern about the effect of the new note on the decision in Rubie's Costume Company v. United States, 337 F.3d 1350 (Fed. Cir. 2003), and on Park B. Smith, Ltd. v. United States, 347 F.3d 922 (Fed. Cir. 2003). With respect to Rubies, the merchandise at issue in that case is not affected by the new note as the court ruled that the merchandise classified in Chapter 95 was not "wearing apparel." As to Park B. Smith, it is premature to suggest any changes to the tariff as the case is on remand to the Court of International Trade and is not final.

Finally, the FTASC states that new Note 4 will result in unsatisfactory changes in the classification of toy sets. However, their comment is directed instead to the new heading being created.

Provisions 9501.00 through 9503.90.00 are being superceded by new provision 9503.00.00 which enumerates in its text: "Tricycles, scooters, pedal cars and similar wheeled toys; dolls' carriages; dolls, other toys; reduced-scale ("scale") models and similar recreational models, working or not; puzzles of all kinds; parts and accessories thereof." It is correct to observe that there will no longer be a subheading that explicitly covers "other toys, put up in sets or outfits ...," which provision 9503.70 currently covers. There are no breakouts for sets or outfits under new provision 9503.00.00. However, the scope of new provision 9503.00.00, HTS, will encompass the scope of the provisions being superceded and will continue to include toy sets. Chapter 95, interpreted in conjunction with the provisions of GRI 1, will result in toys, put up in sets or outfits, being classified in new provision 9503.00.00, HTS. Perhaps consideration of this issue should be discussed in a new Explanatory Note to heading 9503.

Counsel for Bauer submitted a comment advocating that Note 1(v) be clarified to preclude the possibility of all "apparel ... having a utilitarian function," such as hockey pants, from falling within the Note's scope, thereby directing classification to Chapters 61 and 62, HTS.

Counsel for Bauer also referenced the decision in Bauer Nike Hockey USA, Inc. v. United States, Slip. Op. 04-158 (Fed. Cir. 2004), in which the Court of Appeals for the Federal Circuit held that hockey pants made of an exterior nylon shell and an interior assembly of hard plastic guards and soft foam padding were classified as ice-hockey equipment under heading 9506, HTS. The hockey pants at issue were found not to constitute "sports clothing," which is excluded from Chapter 95 by Note 1(e) to Chapter 95, HTS. Counsel for Bauer emphasized that, if the ITC intends to remove hockey pants from classification in heading 9506, HTS, and move them to Chapter 62, it must do so in a rate-neutral manner.

In light of the Bauer decision, we regard hockey pants like those at issue in that case, to constitute hockey equipment, not "apparel." Therefore, the Bauer pants will not be covered by note 1(v) and will remain classified as hockey equipment.

Thank you for the opportunity to comment on this matter. Please do not hesitate me if I can be of further assistance.

Sincerely,

Myles B. Harmon, Director
Commercial Rulings Division

APPENDIX J

DEFINITIONS OF TARIFF AND TRADE AGREEMENT TERMS

APPENDIX A

TARIFF AND TRADE AGREEMENT TERMS

In the Harmonized Tariff Schedule of the United States (HTS), chapters 1 through 97 cover all goods in trade and incorporate in the tariff nomenclature the internationally adopted Harmonized Commodity Description and Coding System through the 6-digit level of product description. Subordinate 8-digit product subdivisions, either enacted by Congress or proclaimed by the President, allow more narrowly applicable duty rates; 10-digit administrative statistical reporting numbers provide data of national interest. Chapters 98 and 99 contain special U.S. classifications and temporary rate provisions, respectively. The HTS replaced the former Tariff Schedules of the United States (TSUS) effective January 1, 1989.

Duty rates in the general subcolumn of HTS column 1 are normal trade relations rates; many general rates have been eliminated or are being reduced due to concessions resulting from the Uruguay Round of Multilateral Trade Negotiations. Column 1-general duty rates apply to all countries except those listed in HTS general note 3(b) (Cuba, Laos, and North Korea), which are subject to the statutory rates set forth in column 2. Specified goods from designated general-rate countries may be eligible for reduced rates of duty or duty-free entry under preferential tariff programs, as set forth in the special subcolumn of HTS rate of duty column 1 or in the general notes. If eligibility for special tariff rates is not claimed or established, goods are dutiable at column 1-general rates. The HTS does not list countries covered by a total or partial embargo.

The Generalized System of Preferences (GSP) affords nonreciprocal tariff preferences to designated beneficiary developing countries. The U.S. GSP, enacted in title V of the Trade Act of 1974 for 10 years and extended several times thereafter, applies to merchandise imported on or after January 1, 1976, and before the close of December 31, 2006. Indicated by the symbol "A", "A*", or "A+" in the special subcolumn, GSP provides duty-free entry to eligible articles the product of and imported directly from designated beneficiary developing countries (see HTS gen. note 4). Eligible products of listed sub-Saharan African countries may qualify for duty-free entry under the African Growth and Opportunity Act (AGOA) (see HTS gen. note 16) through September 30, 2008, as indicated by the symbol "D" in the special subcolumn; see subchapter XIX of chapter 98.

The Caribbean Basin Economic Recovery Act (CBERA) affords nonreciprocal tariff preferences to designated Caribbean Basin developing countries. The CBERA, enacted in title II of Public Law 98-67, implemented by Presidential Proclamation 5133 of November 30, 1983, and amended by the Customs and Trade Act of 1990, applies to goods entered, or withdrawn from warehouse for consumption, on or after January 1, 1984. Indicated by the symbol "E" or "E*" in the special subcolumn, CBERA provides duty-free entry to eligible articles, and reduced-duty treatment to certain other articles, which are the product of and imported directly from designated countries (see HTS gen. note 7). Eligible products of listed beneficiary countries may qualify for duty-free or reduced-duty entry under the Caribbean Basin Trade Partnership Act (CBTPA) (see HTS gen. note 17), through September 30, 2008, as indicated by the symbol "R" in the special subcolumn; see subchapter XX of chapter 98.

Preferential nonreciprocal duty-free treatment in the special subcolumn followed by the symbol "J" or "J*" in parentheses is afforded to eligible articles from designated beneficiary countries under the Andean Trade Preference Act (ATPA), enacted as title II of Public Law 102-182 (effective July 22, 1992; see HTS gen. note 11) and renewed through December 31, 2006, by the Andean Trade Promotion and Drug Eradication Act of 2002 (see subchapter XXI of chapter 98).

Free trade agreements in effect: Preferential free rates of duty in the special subcolumn followed by particular symbols apply to eligible goods under these free trade agreements, when such treatment is properly claimed and all requirements of the applicable general note are met (see subchapter XXII of chapter 98 for special provisions):

"IL"--products of Israel under the United States-Israel Free Trade Implementation Act of 1985, effective Sept. 1, 1985 under Pres. Proc. 5365 of Aug. 30, 1985 (see HTS general note 8 and subchapter VIII of chapter 99);

"CA"--goods of Canada--and "MX"--goods of Mexico--under the North American Free Trade Agreement (NAFTA), effective as of Jan. 1, 1994 under Pres. Proc. 6641 of Dec. 15, 1993 (see HTS general note 12 and subchapter VI of chapter 99);

"JO"--goods of Jordan under the United States-Jordan Free Trade Area Implementation Act, (JFTA), effective as of Dec. 17, 2001 under Pres. Proc. 7512 of Dec. 13, 2001 (see HTS gen. note 18 and subchapter IX of chapter 99);

"SG"--goods of Singapore under the United States-Singapore Free Trade Agreement (SFTA), effective as of Jan. 1, 2004 under Pres. Proc. 7747 of Dec. 30, 2003 (see HTS general note 25 and subchapter X of chapter 99);

"CL"--goods of Chile under the United States-Chile Free Trade Agreement (UCFTA), effective as of Jan. 1, 2004 under Pres. Proc. 7746 of Dec. 30, 2003 (see HTS general note 26 and subchapter XI of chapter 99);

"AU"--goods of Australia under the United States-Australia Free Trade Agreement (AFTA), effective as of Jan. 1, 2005 under Pres. Proc. 7857 of Dec. 20, 2004 (see HTS general note 28 and subchapter XIII of chapter 99) [gen. note 27 and subchapter XII reserved].

Other special tariff treatment applies to particular products of insular possessions (gen. note 3(a)(iv)), products of the West Bank and Gaza Strip (gen. note 3(a)(v)), goods covered by the Automotive Products Trade Act (APTA) (gen. note 5; special symbol "B") and the Agreement on Trade in Civil Aircraft (ATCA) (gen. note 6; special symbol "C"), articles imported from freely associated states (gen. note 10), pharmaceutical products (gen. note 13; special symbol "K"), and intermediate chemicals for dyes (gen. note 14; special symbol "L").

The General Agreement on Tariffs and Trade 1994 (GATT 1994), pursuant to the Agreement Establishing the World Trade Organization, is based upon the earlier GATT 1947 (61 Stat. (pt. 5) A58; 8 UST (pt. 2) 1786) as the primary multilateral system of discipline and principles governing international trade. The agreements mandate most-favored-nation treatment, maintenance of scheduled concession rates of duty, and national treatment for imported goods; GATT provides the legal framework for customs valuation standards, "escape clause" (emergency) actions, antidumping and countervailing duties, dispute settlement, and other measures. Results of the Uruguay Round of multilateral tariff negotiations are set forth in separate schedules of concessions for each participating contracting party, with the U.S. schedule designated as Schedule XX. Pursuant to the Agreement on Textiles and Clothing (ATC) of the GATT 1994, member countries have phased out restrictions on imports of covered textiles and apparel implemented under the prior "Arrangement Regarding International Trade in Textiles" (known as the Multifiber Arrangement (MFA)).

Rev. 1/11/05