MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109th Congress

[Date approved: August 17, 2006]

Bill No. and sponsor: S. 2922 (Mr. Jim Talent of Missouri).

Proponent name, location: Harley-Davidson Motor Co., Milwaukee, WI and Kansas City, MO.

Other bills on product (109th Congress only): None.


Retroactive effect: None.

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

Wheel spoke tightening machines suitable for use in the assembly of motorcycle wheels (provided for in subheading 8479.89.98).

Check one: ☒ Same as that in bill as introduced. ☐ Different from that in bill as introduced (see Technical comments section).

Product information, including uses/applications and source(s) of imports:

According to the proponent, these machines will be used exclusively to tighten the wheel spokes of motorcycle wheels during their assembly. The tightening results automatically in the truing of the wheel (i.e., making the rim round and concentric with the hub). The product is imported from France.

Estimated effect on customs revenue:

<table>
<thead>
<tr>
<th>HTS subheading: 8479.89.98</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<tr>
<td>Col. 1-General rate of duty</td>
</tr>
<tr>
<td>Estimated value of dutiable imports</td>
</tr>
<tr>
<td>Customs revenue loss</td>
</tr>
</tbody>
</table>

Source of estimated dutiable import data: Commission estimates based on industry information.

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1 Industry analyst preparing report: John Kitzmiller (202-205-3387); Tariff Affairs contact: Jan Summers (202-205-2605).
2 Access to an electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/reports/index.htm.
Contacts with domestic firms/organizations (including the proponent):

<table>
<thead>
<tr>
<th>Name of firm/organization</th>
<th>Date contacted</th>
<th>Claim US makes same or competing product(s)?</th>
<th>Submission attached?</th>
<th>Opposition noted?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Harley-Davidson Motor Co. (Proponent) Wayne Curtin, 414-343-8246</td>
<td>07/21/2006</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Buchanan’s Spoke &amp; Rims Robert Buchanan, 626-969-4655</td>
<td>07/21/2006</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Honda North America Kent Dellinger, 202-661-4400</td>
<td>07/21/2006</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Kawasaki Motors Corporation U.S.A. Roger Hagie, 949-770-0400 x 2516</td>
<td>07/21/2006</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>

Technical comments:

Although the proponent has indicated the machine will have an exclusive use, we suggest using the “suitable for use” language now in the similar HTS provision for machinery for making bicycle wheels, to avoid the administrative and cost burdens of an actual use provision with Customs follow-up. The description as noted in the bill should be modified as noted on page 1. The separate permanent duty elimination provision for such machinery suitable for use in bicycle wheel assembly is heading 9817.84.01.
To suspend temporarily the duty on certain machines used in the assembly of motorcycle wheels.

IN THE SENATE OF THE UNITED STATES

MAY 22, 2006

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

A BILL

To suspend temporarily the duty on certain machines used in the assembly of motorcycle wheels.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTAIN MACHINES FOR USE IN THE ASSEMBLY OF MOTORCYCLE WHEELS.

(a) In General.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

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9902.11.17 Wheel spoke tightening machines (provided for in subheading 8479.89.98) . . . . Free No change No change On or before 12/31/2009 .
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(b) Effective Date.—The amendment made by subsection (a) applies to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.