



MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress

Date approved

I. Background

Bill number:

Sponsor name:

Sponsor state:

Interested entity:

Name

City

State

Other bills on product (112th Congress only):

Nature of bill:

Expiration date:

Current or previous chapter 99 heading:

Retroactive date:

CAS number (if applicable):

Industry analyst:

Telephone:

Tariff Affairs contact:

Telephone:

Note:

1. Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff_affairs/congress_reports/.
2. In regard to the country(ies) of origin listed in section III, this report focuses on dutiable imports and does not take into account any tariff preference programs or special rates of duty.

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

Sector mold press machines to be used in production of radial tires designed for off-the-highway use with a rim measuring 63.5 cm or more in diameter (provided for in subheading 4011.20.10, 4011.61.00, 4011.63.00, 4011.69.00, 4011.92.00, 4011.94.40, or 4011.99.45), numerically controlled, and parts thereof (provided for in subheading 8477.51.00 or 8477.90.85)

(If enacted, the tariff relief provided for in this bill would be available to any entity that imports the product that is covered by the bill.)

Description above compared with bill as introduced:

- Same
 Different (see Technical Comments section)

III. Other product information, including uses/applications and source(s) of imports

The subject products, sector mold presses (and their related parts), are machines used in the final curing stage of tire production to form the final shape of the tire, impart tread and sidewall details, and vulcanize the rubber of the tire. Vulcanizing the rubber occurs under heat and pressure and results in the different types of rubber linking at the molecular level. The press houses the mold for the tires and operates to open the mold, insert the green tires, have the mold close in on the green tire, and then inflate the tire with steam, hot water, or an inert gas thus pushing the tire into the mold. After curing the tire under sustained heat, the press opens the mold and ejects the tire in its final form. These machines are numerically controlled, which refers to a computer control system that adds fully automatic programmable positioning and feed rate control of the machine's axis movement relative to the workpiece, as well as automatic control of other functions. The principal U.S. import sources of the subject products are France, Japan, and Germany.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	8477.51.00 or 8477.90.85 (See VI. Continuation)				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty or percentage point reduction (%)	3.1	3.1	3.1	3.1	3.1
Estimated value of <i>dutiable</i> imports (\$)	48,000,000	48,000,000	32,000,000	15,000,000	15,000,000
Customs revenue loss (\$)	1,488,000	1,488,000	992,000	465,000	465,000

Note: Customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ. Regarding the HTS subheading listed in the article description of the bill, the Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only U.S. Customs and Border Protection is authorized to issue a binding ruling on this matter. The Commission believes that Customs should be consulted prior to enactment of the bill.

Dutiable imports were based on (more than one may apply):

- Official statistics of the U.S. Department of Commerce
 Provided by industry sources
 Industry information
 Commission estimates

Duty reduction notes:

- This bill is not a duty reduction
 This bill is a temporary duty reduction. Rates are shown below.

Col.1-general duty rate (%) Temporary rate (%) Percentage point reduction (%)

V. Technical comments

Although no changes to the article description are suggested, we note that the bill would renew a duty suspension heading

that expired at the end of 2009. There is some overlapping coverage among various pending bills for tire-producing machinery. H.R. 5367 appears to cover a subset of the products covered by H.R. 4841, as well as parts thereof. H.R. 5367 would provide a duty reduction for these goods, rather than a duty suspension. H.R. 5368 covers a subset of the parts covered by H.R. 4841, as well as for parts covered by H.R. 5367; like H.R. 4841, H.R. 5368 would provide a duty suspension.

VI. Continuation

Estimated effect on customs revenue - continued:

HTS No. 8477.51.00 (3.1%)

2013 - 1,240,000

2014 - 1,240,000

2015 - 775,000

2016 - 775,000

2017 - 775,000

HTS No. 8477.90.85 (3.1%)

2013 - 248,000

2014 - 248,000

2015 - 217,000

2016 - 93,000

2017 - 93,000

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

VII. Contacts with domestic firms/organizations

#	Firm/organization and contact name	Telephone number	Claims same or competing product made in the United States	Submission attached	Opposition noted
1	Michelin North America, Inc. (Interested entity) Stan Pech	864-458-6600	No	No	No
2	Bartel Machinery Systems, LLC Jerry Eisnehart	315-336-7600	No	No	No
3	Bridgestone Americas Steven Akey	202-354-8220	No	No	No
4	Davis-Standard, LLC Joe Wnuk	860-599-1010	No	No	No
5	Goodyear Tire & Rubber Co. Isabel Jasinowski	202-682-9250	No	No	No
6	King Machine Michael J. Wells	704-583-0486	No	No	No
7	Kobelco Stewart Bolling, Inc. David Sealfon	330-655-3113	No	No	No
8	Northeast Tire Mold Stephanie Sipe	330-376-6107	No	No	No
9	McNeil & NRM, Inc. Bill McNamara	330-253-2525	No	No	No
10	Rogers Industrial Products, Inc. John R. Cole	330-535-3331	No	No	No
11	RJS Corp. Raymond Slezak	330-896-2397	No	No	No
12	RMS Equipment, LLC Greg Thewes	330-564-1360	No	No	No
13	RRR Development Co., Inc. Bob Irwin	330-966-8855	No	No	No
14	Spadone-Hypex, Inc. Jim Hasson	215-396-8005	No	No	No
15	Steelastic Co., LLC Brian Fetzer	330-633-0505	No	No	No

112TH CONGRESS
2D SESSION

H. R. 4841

To extend the temporary suspension of duty on certain manufacturing equipment.

IN THE HOUSE OF REPRESENTATIVES

APRIL 26, 2012

Mr. WILSON of South Carolina introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To extend the temporary suspension of duty on certain manufacturing equipment.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. CERTAIN MANUFACTURING EQUIPMENT.**

4 (a) IN GENERAL.—Heading 9902.84.89 of the Har-
5 monized Tariff Schedule of the United States (relating to
6 certain manufacturing equipment) is amended by striking
7 the date in the effective period column and inserting “12/
8 31/2015”.

9 (b) EFFECTIVE DATE.—The amendment made by
10 subsection (a) applies to goods entered, or withdrawn from

- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of enactment of this Act.

○