



## 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/](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)):**

Extract of licorice (provided for in subheading 1302.12.00)

(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**

Extract of licorice is made from licorice root that has been shredded and cooked at a high temperature. Extract of licorice is used as a flavor enhancer, sweetener enhancer, or sweetener in confectionery, pharmaceutical, and tobacco products, however, it is not used to replace sugar. U.S. imports under HTS subheading 1302.12.00 totaled \$19 million in 2011, about 80 percent of these imports were from China.

**IV. Estimated effect on customs revenue**

Subject product HTS subheading(s)	1302.12.00				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty or percentage point reduction (%)	3.8	3.8	3.8	3.8	3.8
Estimated value of <i>dutiable</i> imports (\$)	19,500,000	21,500,000	24,000,000	26,500,000	29,000,000
Customs revenue loss (\$)	741,000	817,000	912,000	1,007,000	1,102,000

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**

None

**VI. Continuation**

## 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	MAFCO Worldwide (Interested entity) Elise Kanderin-Aronson	202-449-6985	No	No	No
	2	Barnet Products Corp. Peter Lehman	201-346-4620	No	No	No
	3	R.J. REYNOLDS TOBACCO COMPANY Craig Demarest	336-741-5000	No	No	No
	4	Wixon Inc. Larry Andersen	414-769-3000	No	No	No

112TH CONGRESS  
2D SESSION

# H. R. 4868

To suspend temporarily the rate of duty on extract of licorice.

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IN THE HOUSE OF REPRESENTATIVES

APRIL 26, 2012

Mr. ANDREWS introduced the following bill; which was referred to the  
Committee on Ways and Means

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## A BILL

To suspend temporarily the rate of duty on extract of  
licorice.

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. EXTRACT OF LICORICE.**

4       (a) IN GENERAL.—Subchapter II of chapter 99 of  
5       the Harmonized Tariff Schedule of the United States is  
6       amended by inserting in numerical sequence the following  
7       new heading:

“	9902.01.00	Extract of licorice (pro- vided for in subheading 1302.12.00) .....	Free	No change	No change	On or before 12/31/2015	”.
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8       (b) EFFECTIVE DATE.—The amendment made by  
9       subsection (a) applies to articles entered, or withdrawn

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

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