



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)):

Shot glasses of a capacity not exceeding 90 ml, printed with names or logos of places or events, valued not over \$0.30 each (provided for in subheading 7013.37.10)

(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 are souvenir, printed shot glasses each valued at 30 cents or less. Imports of these items come from China. This product is produced in the United States by Libbey. Opposition to this bill is noted below in the Contacts table.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	7013.37.10				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty (%) or percentage point reduction	28.5	28.5	28.5	28.5	28.5
Estimated value of dutiable imports (\$)	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Customs revenue loss (\$)	313,500	313,500	313,500	313,500	313,500

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

After discussion with the interested entity, it was determined that a more specific product than the originally suggested article description was intended.

VI. Continuation

None

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	Royal Pacific Las Vegas (Interested entity) Scott Dortch	702-871-1411	No	No	No
	2	Anchor Hocking No contact name	740-681-6478	No	No	No
	3	Libbey Omar Chaudhary	419-325-2087	Yes	Yes	Yes
	4	Mosser Glass Mindy Hartley	740-439-1827	No	No	No



Omar N. Chaudhary
Corporate Counsel

July 3, 2012

Kathryn Lundquist
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Sent via Email

Re: Miscellaneous Tariff Bill Covering Shot Glasses

Dear Ms. Lundquist:

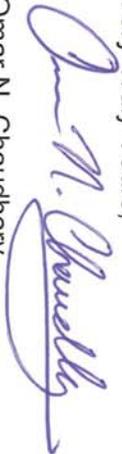
On Wednesday, June 27, Libbey Glass Inc. ("Libbey") received notice that a Miscellaneous Tariff Bill was being considered for the following category of products:

Shot glasses of a capacity not exceeding 90 ml, printed with names or logos of places or events, valued not over \$0.30 each (provided for in subheading 7013.37.10)

I write to inform you that Libbey produces and sells items fitting this description. We produce the glass products within the United States, and decorations are added in the United States by third parties. In some cases, Libbey enters into a commercial sale for decorated glass, has the third party add decoration within the United States, and then delivers it to Libbey's customer. In other cases, we sell the undecorated glass to the third party decorator, who then applies decoration in the United States and sells the finished product to the third party's customer.

Please feel free to call me at (419) 325-2087 if you have any further questions.

Very Truly Yours,


Omar N. Chaudhary

cc: Terence P. Stewart, Managing Partner, Stewart and Stewart
Michael R. Wessel, President, The Wessel Group

112TH CONGRESS
2D SESSION

S. 2536

To suspend temporarily the duty on drinking glasses valued not over \$0.30.

IN THE SENATE OF THE UNITED STATES

MAY 7, 2012

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

A BILL

To suspend temporarily the duty on drinking glasses valued not over \$0.30.

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. DRINKING GLASSES VALUED NOT OVER \$0.30.**

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	Drinking glasses valued not over \$0.30 (provided for in subheading 7013.37.10)	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 with respect to goods entered, or

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

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