



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)):

Headphones, AC adapters and protective cases of molded silicone, all the foregoing packaged together for retail sale, designed for use with electronic educational devices or electronic toys or games (provided for in subheadings 8504.40.95, 8518.30.20, or 4202.99.10, respectively).

(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 headphones, AC adapters, and protective cases imported together as sets, are used in conjunction with electronic educational devices and electronic toys or games. The educational devices are classified in subheading 8543.70.96 (other electrical machines and apparatus, having individual functions, not specified or included elsewhere in chapter 85) and the electronic toys or games are classified in heading 9503 or 9504, respectively. However, these "sets" including the named goods, may be constructively segregated for classification purposes. In such instances, the headphones are classified in subheading 8518.30.20, the AC adapters in subheading 8504.40.95, and the protective cases in subheading 4202.99.90. The bulk of these articles are imported from China.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	4202.99.10, 8504.40.95, and 8513.30.20 (See Continuation)				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty or percentage point reduction (%)	8.8	8.8	8.8	8.8	8.8
Estimated value of <i>dutiable</i> imports (\$)	600,000	600,000	600,000	600,000	600,000
Customs revenue loss (\$)	52,800	52,800	52,800	52,800	52,800

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

The article description set forth above was modified for greater clarity, with a view to describing more closely the products imported by the interested entity with the correct HTS subheading references.

VI. Continuation

HTS No. 4202.99.10 (3.4%)

2013 - \$40,000

2014 - \$40,000

2015 - \$40,000

2016 - \$40,000

2017 - \$40,000

HTS No. 8504.40.95 (1.5%)

2013 - \$3,000

2014 - \$3,000

2015 - \$3,000

2016 - \$3,000

2017 - \$3,000

HTS No. 8518.30.20 (4.9%)

2013 - \$9,800

2014 - \$9,800

2015 - \$9,800

2016 - \$9,800

2017 - \$9,800

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	Leapfrog Enterprises (Interested entity) Robert Lattuga	510-596-3328	No	No	No
2	BJ's Whole-sale Club, Inc. Rachel Rowells	774-512-6554	No	No	No
3	Target Heather Bovitz	763-405-0369	No	No	No
4	Toys "R" Us Maureen Ford	973-617-5515	No	No	No
5	Wal-mart Casey Rector	479-277-0018	No	No	No

112TH CONGRESS
2D SESSION

S. 2567

To suspend temporarily the duty on certain headphones, AC adapters, and protective cases of molded silicone.

IN THE SENATE OF THE UNITED STATES

MAY 7, 2012

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

A BILL

To suspend temporarily the duty on certain headphones, AC adapters, and protective cases of molded silicone.

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 HEADPHONES, AC ADAPTERS, AND**

4 **PROTECTIVE CASES OF MOLDED SILICONE.**

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

“	9902.01.00	Headphones, AC adapters, and protective cases of molded silicone, for electronic drawing toys, electronic games or educational toys or devices, all of the foregoing packaged together for retail sale (provided for in heading 4202, 8504, or 8518)	Free	No change	No change	On or before 12/31/2015	”.
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1 (b) **EFFECTIVE DATE.**—The amendment made by
2 subsection (a) applies with respect to goods entered, or
3 withdrawn from warehouse for consumption, on or after
4 the 15th day after the date of the enactment of this Act.

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