MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110th Congress ¹

[Date approved: June 2, 2008]²

Bill No. and sponsor: H.R. 4499 (Mr. Wally Herger of California).

Proponent name,³ location: Wal*Mart Stores, Inc., Bentonville, AR.

Other bills on product (110th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2011.

Retroactive effect: None.

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

Fairground organs, mechanical street organs, mechanical singing birds, musical saws and other musical instruments not provided for in headings 9201 through 9207 of chapter 92, not including music boxes; decoy calls of all kinds; whistles, call horns and other mouth-blown sound signaling instruments (provided for in subheading 9208.90.00).

Check one:

Same as that in bill as introduced. X Different from that in bill as introduced (see Technical comments section).

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

These musical instruments include fairground organs, mechanical street organs, mechanical singing birds, and musical saws. Specifically excluded are musical instruments falling in other headings of chapter 92 of the HTS.⁴ The other articles covered by the bill include decoy calls, whistles, call horns and other mouthblown signaling instruments. In 2007, China accounted for the majority of U.S. imports of these products, followed by the EU, Taiwan, and Hong Kong.

Estimated effect on customs revenue:

¹ Industry analyst preparing report: Ralph Watkins (202-205-3492); Tariff Affairs contact: Dan Shepherdson (202-205-2598).

² Access to an electronic copy of this memorandum is available at <u>http://www.usitc.gov/tata/hts/other/rel_doc/bill_reports/.</u>

³ The sponsor/proponent identified 25 additional beneficiaries of this bill. USITC staff sent inquiries to the named beneficiaries and received responses from six. Two submitted a written representation that they would benefit from this bill.

⁴ Musical instruments specified in other headings of chapter 92, and therefore excluded from the scope of the duty suspension in this bill, include pianos and other keyboard stringed instruments; other string musical instruments such as guitars, violins and harps; wind musical instruments such as clarinets, trumpets and bagpipes; percussion musical instruments such as drums, xylophones and cymbals; and musical instruments, the sound of which is produced, or must be amplified, electrically, such as electric organs and electric guitars.

HTS subheading: <u>9208.90.00</u>							
\searrow	2009	2010	2011	2012	2013		
Col. 1-General rate of duty	5.3%	5.3%	5.3%	5.3%	5.3%		
Estimated value <i>dutiable</i> imports	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000		
Customs revenue loss	\$450,500	\$450,500	\$450,500	\$450,500	\$450,500		

Source of estimated dutiable import data: Commission estimates based on U.S. importer estimates.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?	
			(Yes/No)		
Wal*Mart Stores, Inc. (Proponent) Mark Haney, mhaney@strtrade.com	3/10/08	No	No	No	
Accent Engineering Inc. Jeff McNeill, jeff@accentengr.com	3/12/08	No	No	No	
All-Weather Safety Whistle Co. Howard Wright, 314-436-3332	3/12/08	No	No	No	
American Greeting Corp. Jaye Lewis, 216-252-7300 ext. 2632	3/12/03	No	No	No	
Mike Balter Mallets, LLC Michael Balter, 847-541-5777	4/3/08	No	No	No	
Bass Pro Shops Shirley Drake, 417-873-5000	3/12/08	No	No	No	
Big 5 Sporting Goods Andy Hemmer, 310-536-0611	3/12/08	No	No	No	
BJ's Wholesale Club Lou Gefteas, 508-651-6186	4/4/08	No	No	No	
Buck Gardner Calls Buck Gardner, 901-946-2996	4/3/08	No	No	No	
Butski's Game Calls Celina, 585-593-2080	4/3/08	No	No	No	
Cabela's Inc. Chuck Smock, 308-254-5505	4/3/08	No	No	No	

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?	
		(Yes/No)			
Cane Creek Calls Doug Adkins, 606-832-2243	3/12/08	No	No	No	
Cass Creek International (Nature Vision, Inc.) Shelly Trimble, 218-825-0733	4/3/08	No	No	No	
Century Mallet Gilberto Serna, <u>Century@Centurymallet.com</u>	3/11/08	No	No	No	
Conn-Selmer, Inc. Mary Ann Erwin, Fax: 574-522-0334	3/11/08	No	No	No	
Costco's Wholesale Corp. Art Jackson, 425-427-7644	4/2/08	No	No	No	
Dick's Sporting Goods Mike Butterfield, 724-273-3400	3/11/08	No	No	No	
Duck Commander Austin McCurdy, 318-396-1126	4/4/08	No	No	No	
Eastern Mountain Sports Deb Carr, 603-924-9571	3/11/08	No	No	No	
Flambeau, Inc., Outdoors Division Tim Notch, 800-457-5252	3/14/08	No	No	No	
Hibbett Sports, Inc. Pat Jarrell, 205-942-4292	4/4/08	No	No	No	
Hoop Retail Stores, LLC Frank Wellen, 201-558-2400	3/17/08	No	No	No	
Kindermusik International Heather Bouchillon, 800-628-5687, ext. 1300	3/17/08	No	No	No	
Kuz Sports Don Clark, 425-485-1400	4/3/08	No	Yes	No	
L.L. Bean, Inc. Carolyn Beem, 207-552-2000	4/7/08	No	No	No	
Mallardtone Game Calls Jennifer Graves, 870-534-3000	3/17/08	No	No	No	
Oriental Trading Co. Caron Petway-Hanson, 402-331-5511, ext. 7690	3/16/08	No	No	No	
Pradco Outdoor Brands (Knight and Hale Calls) James Sheffield, 479-782-8971	4/4/08	No	No	No	

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?		
		(Yes/No)				
Quaker Boy Game Calls Cathy, 800-544-1600	4/4/08	No	No	No		
Sears Holding Corp. Brad Shorse, 847-286-2757	3/17/08	No	No	No		
Shar Products Co. Haig Avsharian, 800-248-7427	3/11/08	No	No	No		
The Sports Authority Ian Pinchuk, 303-200-5050	3/17/08	No	No	No		
Tri Foxco, USA Inc. Susanne, 716-298-1129	4/4/08	No	No	No		
Walgreen Co. Leslie Higgins, 847-914-2500	4/2/08	No	No	No		
Wildgame Innovations Crystal, 337-839-6267	4/4/08	No	No	No		

Technical comments:⁵

The proponent has indicated that it is interested in suspending the general rate of duty on all products that are provided for in HTS subheading 9208.90.00, which is a basket category for all musical instruments that are not provided for elsewhere. Accordingly, the Commission staff suggests that the article description on page 1 of this report be used in the proposed heading because it tracks the tariff nomenclature in HTS subheading 9208.90.00.

⁵ The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

110TH CONGRESS 1ST SESSION H.R. 4499

To suspend temporarily the duty on certain musical instruments.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 12, 2007

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

A BILL

To suspend temporarily the duty on certain musical instruments.

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 MUSICAL INSTRUMENTS.

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	Fairground organs, mechan-					
		ical street organs, mechan-					
		ical singing birds, musicals					
		saws and other musical in-					
		struments, etc. (provided for					
		in subheading $9208.90.00)$	Free	No change	No change	On or before	
						12/31/2011	".

(b) EFFECTIVE DATE.—The amendment made by
 subsection (a) applies to articles entered, or withdrawn
 from warehouse for consumption, on or after the 15th day
 after the date of the enactment of this Act.