UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

# MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110<sup>th</sup> Congress <sup>1</sup>

[Date approved: September 8, 2008]<sup>2</sup>

Bill No. and sponsor: H.R. 5215 (Mrs. Ellen O. Tauscher of California).

**Proponent name**,<sup>3</sup> location: Applied Materials, Inc., Santa Clara, CA.

Other bills on product (110<sup>th</sup> 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)):

Shaft rotary feed-through coupling assemblies, the foregoing each with two steel hubs (each such hub having an outside diameter of 32 mm and an inside diameter of 18 mm) and a plastic sleeve having an outside diameter of 46 mm and a width of 28 mm (provided for in subheading 8483.90.50).

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:**

The subject shaft coupling is a rotary feed-through that connects two shafts in two areas of a machine that have different atmospheres, one a sub-atmosphere and the other a normal atmosphere. Thus, the shafts when coupled will function as one shaft. This assembly is classified in the Harmonized Tariff Schedule under a residual or "basket" category for miscellaneous goods, a provision that includes parts of shaft couplings, HTS 8483.60.80. The subject shaft coupling is likely to be used in semiconductor, liquid crystal display, or solar panel manufacturing machines. U.S. imports of these shaft coupling assemblies will likely be from Germany, Japan, or China.

<sup>&</sup>lt;sup>1</sup> Industry analyst preparing report: Dennis Fravel (202-205-3404); Tariff Affairs contact: Jan Summers (202-205-2605).

<sup>&</sup>lt;sup>2</sup> Access to an electronic copy of this memorandum is available at <u>http://www.usitc.gov/tata/hts/other/rel\_doc/bill\_reports/</u>.

<sup>&</sup>lt;sup>3</sup> The sponsor/proponent did not identify any additional beneficiaries of this bill.

#### **Estimated effect on customs revenue:**

HTS subheading: <u>8483.90.50</u>										
$\searrow$	2009	2010	2011	2012	2013					
Col. 1-General rate of duty	2.5%	2.5%	2.5%	2.5%	2.5%					
Estimated value <i>dutiable</i> imports	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000					
Customs revenue loss	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500					

Source of estimated dutiable import data: Official U.S. Government statistics.

## 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)		
Applied Materials (Proponent) Joe Pasetti, 202-638-443, ext. 6	04/30/2008	No	No	No
A&N Corp. Paul Donovan, 352-528-4100	06/09/2008	No	No	No
Assn. of Vacuum Equipment Manufacturers, Intl Dawn M. Shiley, 703-538-3543	06/11/2008	No	No	No
Corning, Inc. Debbie Waggoner, waggonerdl@corning.com	06/06/2008	No	No	No
Ferrotec (USA) Corp. Robert Shaw, 603-472-6820	06/12/2008	No	No	No
KLA-Tencor Corp. Meggan Powers, 408-875-3000	06/05/2008	No	No	No
MDC Vacuum Products, LLC Sandeep Davlvie, 510-887-0626	06/06/2008	No	No	No
National Electrical Manufacturers Association John Meakem, joh_meakem@nema.org	06/06/2008	No	No	No
Nor-Cal Products, Inc. David Stone, davidstone@n-c.com	06/05/2008	No	No	No
Novellus Systems, Inc. Nicole Malcolm, pushpita.prasad@novellus.com	06/05/2008	No	Yes	No
Qioptiq Imaging Solutions John Gebhardt, john.gebhardt@ny.qioptiq.com	06/06/2008	No	No	No
Rigaku Vacuum Products Joe LaPlante, 603-890-6001	06/09/2008	No	No	No
SAES Pure Gas, Inc. Cristian Landoni, cristian_landoni@saes-group.com	06/05/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?		Opposition noted?
Semiconductor Equipment and Materials Intl. Ken Schramko, kschramko@semi.org	06/05/2008	No	(Yes/No) No	No
3M Co. Megan Ivory, mmivory@mmm.com	06/09/2008	No	No	No
T&M Service Mike Brooker, mbrooker@tandmservice.com	06/05/2008	No	No	No
Varian, Inc. John Nieberding, 650-424-4539	06/09/2008	No	Yes	No
W.L. Gore and Associates Mike Ratchford, mratchfo@wlgore.com	06/06/2008	No	No	No
Xandex, Inc. N. Manoochehri, nmanoochehri@xandex.com	06/05/2008	No	No	No

### **Technical comments:**<sup>4</sup>

The suggested product description set forth on page 1 has been simplified compared to the language in the bill as introduced, but the dimensions specified in the bill have been retained. Customs may have difficulty administering this provision because the physical dimensions of the part are very specific and thus may be burdensome. Without variances in units of measurement, it is likewise possible that few goods might be deemed eligible for benefits of the duty suspension.

<sup>&</sup>lt;sup>4</sup> 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.

# <sup>110TH CONGRESS</sup> 2D SESSION H.R. 5215

To suspend temporarily the duty on coupling assembly with 2 steel hubs with 32 millimeter outside diameter, 18 millimeter inside diameter, and a white plastic sleeve with 46 millimeter outside diameter and 28 millimeter width.

# IN THE HOUSE OF REPRESENTATIVES

JANUARY 29, 2008

Mrs. TAUSCHER introduced the following bill; which was referred to the Committee on Ways and Means

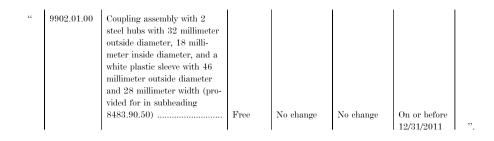
# A BILL

- To suspend temporarily the duty on coupling assembly with 2 steel hubs with 32 millimeter outside diameter, 18 millimeter inside diameter, and a white plastic sleeve with 46 millimeter outside diameter and 28 millimeter width.
  - 1 Be it enacted by the Senate and House of Representa-
  - 2 tives of the United States of America in Congress assembled,

1SECTION 1. COUPLING ASSEMBLY WITH 2 STEEL HUBS2WITH 32 MILLIMETER OUTSIDE DIAMETER, 183MILLIMETER INSIDE DIAMETER, AND A4WHITE PLASTIC SLEEVE WITH 46 MILLI-5METER OUTSIDE DIAMETER AND 28 MILLI-6METER WIDTH.

2

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



(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.

 $\bigcirc$