

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 110th Congress¹**

[Date approved: May 23, 2008]²

Bill No. and sponsor: H.R. 4982 (Ms. Loretta Sanchez of California).

Proponent name,³ location: Meade Instruments Corp., Irvine, CA.

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

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

Retroactive effect: None.

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

Refracting telescopes with 60 mm or smaller objective lenses and reflecting telescopes with 76 mm or smaller mirrors, and parts and accessories thereof (provided for in subheading 9005.80.40 or 9005.90.80).

Check one: Same as that in bill as introduced.
 Different from that in bill as introduced (see Technical comments section).

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

The subject products are refracting telescopes with objective lenses of 60 mm or smaller and reflecting telescopes with mirrors measuring 76 mm or smaller, as well as parts of and accessories for such telescopes. These telescopes work in different ways to give a close-up image of a distant object by producing a real image inside a telescope tube. An eyepiece lens views the image in the same way as a magnifying glass. The viewer looks at a very close real image, which therefore appears large. The degree of magnification depends on the power of the eyepiece lens. In the refracting telescope, an objective lens forms the real image that is viewed by the eyepiece lens. The image is upside down. However, an extra convex lens forms an upright real image that the viewer sees through the eyepiece. In the reflecting telescope, a large concave primary mirror forms the real image that is then viewed by an eyepiece lens. Usually a secondary mirror reflects the rays from the primary mirror so that the real image forms beneath the mirror or to the side, making for more convenient viewing. Reflecting telescopes are important in astronomy because the primary mirror can be very wide, which enables it to collect considerable light, making faint objects visible. These optical telescopes all fall under HTS subheading 9005.80.40 and are principally imported from China, Germany, and Taiwan.

¹ Industry analyst preparing report: Christopher Johnson (202-205-3488); Tariff Affairs contact: Jan Summers (202-205-2605).

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

³ The sponsor/proponent did not identify any additional beneficiaries of this bill.

Parts and accessories for these goods include frames, housings, tubes and mountings, motorized drives, and other items (not including lenses, which are separately classified). The permanent duty rate applicable to the complete telescopes also applies to the parts and accessories therefor pursuant to subheading 9005.90.80, so that the subject parts or accessories would be dutiable at 8 percent ad valorem. Because the subject telescopes are commonly imported in finished form, U.S. industry sources indicate that imports of parts and accessories are expected to be small and irregular, and might be limited to repair or replacement items.

Estimated effect on customs revenue:

Total Estimated Revenue loss for this Bill					
	2009	2010	2011	2012	2013
Customs revenue loss	\$0	\$400,080	\$400,080	\$400,080	\$400,080

HTS subheading: 9005.80.40					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty	8%	8%	8%	8%	8%
Estimated value <i>dutiable</i> imports	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
Customs revenue loss 1/	\$0	\$400,000	\$400,000	\$400,000	\$400,000

1/ There is an existing duty suspension under HTS heading 9902.13.86 that expires on December 31, 2009. Therefore, there will be no customs revenue loss related to this bill for 2009.

Source of estimated dutiable import data: U.S. industry estimates.

HTS subheading: 9005.90.80					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty 1/	8%	8%	8%	8%	8%
Estimated value <i>dutiable</i> imports	\$0	\$1,000	\$1,000	\$1,000	\$1,000
Customs revenue loss 1/	\$0	\$80	\$80	\$80	\$80

1/ The HTS Lists the tariff rate as: The rate applicable to the article of which it is a part or accessory, it is assumed that they will enter as parts of optical telescopes under HTS subheading 9005.80.40.

2/ The estimated customs revenue loss for 2009 reflects the existing duty suspension under heading 9902.13.86 that expires on December 31, 2009.

Source of estimated dutiable import data: Commission estimates based on U.S. Government statistics. U.S. imports under this subheading in 2003 were valued at \$8,834; during 2004-2007, there were no U.S. imports under this subheading.

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)	
Meade Instruments Corp. (Proponent) Paul Ross, paul.ross@meade.com	03/18/2008	No	Yes	No
Bushnell Corp. Darin Stephens, dstephens@bushnell.com	03/18/2008	No	No	No
Celestron International Joseph A. Lupica, Jr., lupica@celestron.com	03/18/2008	No	No	No

Technical comments:¹

None.

¹ 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
2D SESSION

H. R. 4982

To extend the temporary suspension of duty on certain refracting and reflecting telescopes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 15, 2008

Ms. LORETTA SANCHEZ of California introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To extend the temporary suspension of duty on certain refracting and reflecting telescopes.

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 REFRACTING AND REFLECTING TELE-**

4 **SCOPES.**

5 (a) IN GENERAL.—Heading 9902.13.86 of the Har-
6 monized Tariff Schedule of the United States (relating to
7 certain refracting and reflecting telescopes) is amended by
8 striking “12/31/2009” and inserting “12/31/2011”.

9 (b) EFFECTIVE DATE.—The amendment made by
10 subsection (a) applies with respect to goods entered, or

1 withdrawn from warehouse for consumption, on or after
2 the date that is 15 days after the date of enactment of
3 this Act.

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