

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: July 1, 2008]²

Bill No. and sponsor: H.R. 5098 (Mr. Howard Coble of North Carolina).

Proponent name,³ location: National Council of Textile Organizations, Washington DC.

Other bills on product (110th Congress only): H.R. 5096.⁴

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

Retroactive effect: None.

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

Staple fibers of viscose rayon, not carded, combed, or otherwise processed for spinning (provided for in subheading 5504.10.00).

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:

Viscose rayon is an artificial fiber produced from cellulosic materials such as wood pulp, which is processed into viscose liquid and extruded through perforated metal disks (spinnerets) into an acid bath to produce long fiber strands. The viscose rayon strands are then cut to produce staple fibers. Total U.S. imports of staple fibers of viscose rayon under HTS subheading 5504.10.00 were about \$232 million in 2007, of which dutiable imports were about \$46.1 million. China was the primary supplier of fibers under this subheading in 2007 with about \$40.9 million in shipments (\$18.7 million in dutiable value), followed by Austria, Finland, and Germany.

¹ Industry analyst preparing report: Heidi Colby-Oizumi (202-205-3391); 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.

⁴ The staple fibers covered by H.R. 5096 are a subset of the products covered by this bill.

Estimated effect on customs revenue:

HTS subheading: 5504.10.00					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty (AVE)	4.3%	4.3%	4.3%	4.3%	4.3%
Estimated value <i>dutiable</i> imports	\$185,000,000	\$200,000,000	\$220,000,000	\$250,000,000	\$250,000,000
Customs revenue loss 1/	\$0	\$1,800,000	\$1,980,000	\$2,250,000	\$2,250,000

1/ There is an existing duty reduction under HTS heading 9902.25.59 that expires on December 31, 2009. Therefore, there will be no customs revenue loss related to this bill in 2009 the tariff is reduced for 4.3 to 3.4 percent, a reduction of 0.9 percentage points.

Source of estimated dutiable import data: Official U.S. Government statistics and Commission 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)	
National Council of Textile Organizations (Proponent) Missy Branson, 202-822-8026	05/12/2008	No	No	No
National Textile Association David Trumbull, 617-542-8220	05/13/2008	No	Yes	No

Technical comments:⁵

None.

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
2D SESSION

H. R. 5098

To extend the temporary suspension of duty on staple fibers of viscose rayon, not carded, combed, or otherwise processed for spinning.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 22, 2008

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

A BILL

To extend the temporary suspension of duty on staple fibers of viscose rayon, not carded, combed, or otherwise processed for spinning.

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. STAPLE FIBERS OF VISCOSE RAYON, NOT**
4 **CARDED, COMBED, OR OTHERWISE PROC-**
5 **ESSED FOR SPINNING.**

6 (a) IN GENERAL.—Heading 9902.25.59 of the Har-
7 monized Tariff Schedule of the United States (relating to
8 staple fibers of viscose rayon, not carded, combed, or oth-
9 erwise processed for spinning) is amended by striking “12/
10 31/2009” and inserting “12/31/2011”.

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

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