



September 29, 2008

The Honorable Charles B. Rangel  
Chairman, Committee on Ways and Means  
U.S. House of Representatives  
Washington, D.C. 20515-6348

Dear Mr. Chairman:

Enclosed is a matrix that includes the Administration's positions regarding a number of miscellaneous tariff bills on which the Committee has requested comments. Where the Administration opposes a bill, the basis of the Administration's objection is noted. Also enclosed is a chart detailing the Administration's technical comments on certain bills (unless otherwise specified, all technical comments were prepared by the Department of Homeland Security (DHS)).

The Administration opposes temporary tariff reductions that extend beyond December 31, 2011. Accordingly, an Administration position of "No Objection" means the Administration does not oppose the bill provided that the term of the temporary tariff reduction does not extend beyond December 31, 2011. A longer suspension period would reduce U.S. trade negotiators' bargaining leverage in ongoing multilateral trade negotiations to gain reciprocal tariff concessions from other countries and increase export opportunities for U.S. manufacturers.

The Administration generally opposes provisions that would retroactively apply a duty suspension, unless the bill is a simple extension or renewal of a previously enacted duty change. In cases where retroactive treatment is proposed, DHS recommends that the legislation include language that is similar to that found in Section 483 of the Customs and Trade Act of 1990 (P.L. 101-382). That provision authorized reliquidation of entries provided that (1) importers of goods receiving the benefit apply for reliquidation within 180 days after enactment, and (2) importers present sufficient information to U.S. Customs and Border Protection to allow the entry either to be located or, if it cannot be located, reconstructed. Additionally, DHS notes that the U.S. Court of Appeals for the Federal Circuit recently held that the Government must pay interest on reliquidation of entries absent statutory language to the contrary. Consequently, DHS strongly recommends that, in any bill authorizing liquidation or reliquidation of an entry and a refund of the excess principal amount determined to be due, the Committee explicitly state when it does not intend that interest be paid on the refund.

We further recommend that the Committee consult with the U.S. International Trade Commission to obtain the appropriate Harmonized Tariff Schedule of the United States item numbers for all proposed tariff items.

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The Office of Management and Budget advises that there is no objection to the submission of this report to Congress from the standpoint of the Administration's program. If you have any questions, please contact me or Nathaniel F. Wienecke, Assistant Secretary for Legislative and Intergovernmental Affairs, at (202) 482-3663.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Lily Fu Claffee', with a long horizontal flourish extending to the right.

Lily Fu Claffee

Enclosures

cc: The Honorable Jim McCreery  
Ranking Member