

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: June 12, 2008]²

Bill No. and sponsor: H.R. 4501 (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)):

Christmas-tree filament lamps of a power not exceeding 200 W and for a voltage exceeding 100 V (provided for in subheading 8539.22.40).

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:

Christmas tree lamps are individual lamps (bulbs) that can either be inserted into insulated cords to form Christmas tree lighting sets or be purchased separately at retail outlets as replacements for original lamps within a set. When Christmas tree lamps are assembled into or packaged with an insulated cord, the combination is classified as a Christmas tree lighting set (HTS subheading 9405.30.00), a product not covered by this bill. This proposed duty suspension provision covers Christmas tree lamps using electric filaments (incandescent lamps), but not those using light-emitting diodes (LEDs).⁴ Incandescent lamps produce a broad-spectrum white light, and are colored by coating the glass envelope with a transparent or translucent paint which acts as a color filter.

China is the dominant supplier of all types of Christmas tree lamps and lighting sets. With regard to filament Christmas tree lamps of a power not exceeding 200 W and for a voltage exceeding 100 V, China accounted for 88 percent of U.S. imports in 2007 with about \$5.8 million; dutiable imports from Mexico, the second leading supplier, reached about \$617,000.⁵

¹ Industry analyst preparing report: Ralph Watkins (202-205-3492); Tariff Affairs contact: Jan Summers (202-205-2605).

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

³ The sponsor/proponent identified 20 additional beneficiaries of this bill. USITC staff sent inquiries to the named beneficiaries and received responses from ten. Five submitted written representations that they would benefit from this bill. In addition, USITC staff identified one additional beneficiary of this bill that was not identified by the sponsor/proponent, and that beneficiary submitted a written representation that it would benefit from this bill.

⁴ LED lamps are classified in HTS subheading 8539.39.00.

⁵ Originating goods of Mexico under the North American Free Trade Agreement comprised about \$48,000 of duty-free imports.

Estimated effect on customs revenue:

HTS subheading: 8539.22.40					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty	5.8%	5.8%	5.8%	5.8%	5.8%
Estimated value <i>dutiable</i> imports	\$6,700,000	\$6,700,000	\$6,700,000	\$6,700,000	\$6,700,000
Customs revenue loss	\$388,600	\$388,600	\$388,600	\$388,600	\$388,600

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)	
Wal-Mart Stores, Inc. (Proponent) Mark Haney, mhaney@strtrade.com	3/10/2008	No	Yes	No
Bi-Mart Corp. David Zientara, 541-344-0681	3/17/2008	No	No	No
BJ's Wholesale Club Lou Gefteas, 508-651-6186	4/4/2008	No	No	No
ChristmasDepot.com, Inc. ⁶ 877-353-5263	4/1/2008	No	No	No
Christmas Lights and More Doug Topham, 480-964-4084	4/1/2008	No	Yes	No
ChristmasLights.com Amy Postsova, 402-884-3134, ext. 1133	4/1/2008	No	No	No
Christmas Lights Etc. Mike Streb, 866-962-7382	3/17/2008	No	No	No
Christmas Treasures, Inc. Nancy Wood, 541-822-3516	3/17/2008	No	No	No
Costco Wholesale Corp. Art Jackson, 425-427-7644	3/11/2008	No	No	No
CVS Caremark Corp. Carolyn Corpel, 401-765-1500	3/17/2008	No	No	No

⁶ The company representative contacted by USITC staff did not wish to be named in this report.

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
Dekra-Lite Stephen Leal, 714-436-0705	3/17/2008	No	No	No
The Home Depot Kevin Pinel, 770-384-3037, ext. 83323	4/7/2008	No	No	No
J. Kinderman and Sons, Inc. Mike Keeley, 215-271-7600	4/1/2008	No	No	No
Kohl's Corp. Beth Stellmacher, 262-703-1927	4/4/2008	No	No	No
The Kroger Co. Brandon Call, 513-762-1316	3/17/2008	No	No	No
Lowe's Companies, Inc. Scott Mason, 704-758-1000	4/4/2008	No	No	No
Novetly Lights, Inc. Tres Coors, 303-671-0533	3/18/2008	No	No	No
Rite Aid Corp. John Coster, 703-888-0859	4/4/2008	No	No	No
Safeway, Inc. Courtney Jensen, 925-467-3000	4/1/2008	No	No	No
Santa's Best Barry Hausauer, 847-441-1002	4/9/2008	No	No	No
Sears Holding Corp. Brad Shorse, 847-286-2757	3/17/2008	No	Yes	No
Target Corp. Toni Dembski-Brandl, 612-696-2573	3/18/2008	No	No	No
Vickerman Co. Randy Schuster, 800-847-8606	4/2/2008	No	No	No
Walgreen Co. Leslie Higgins, 847-914-2500	4/2/2008	No	No	No

Technical comments:⁷

The proposed slight changes shown on page 1 would track the description in the pertinent HTS subheading.

⁷ 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. 4501

To suspend temporarily the duty on certain Christmas tree lamps.

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 Christmas tree
lamps.

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 CHRISTMAS TREE LAMPS.**

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.____	Christmas tree lamps of a power not exceeding 200 W and for a voltage exceeding 100 V (provided for in sub-heading 8539.22.40)	Free	No change	No change	On or before 12/31/2011	”.
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1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) applies to articles entered, or withdrawn
3 from warehouse for consumption, on or after the 15th day
4 after the date of the enactment of this Act.

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