

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. 5100 (Mr. Mike Simpson of Idaho).

Proponent name,³ location: Micron Technology, Inc., Boise, ID.

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)):

Wire containing 99.9 percent or more by weight of gold and with dopants added to control wirebonding characteristics, having a diameter of 0.05 mm or less, for use in the manufacture of diodes, transistors, or similar semiconductor devices or electronic integrated circuits (provided for in HTS subheading 7108.13.70).

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 product is an ultra-fine diameter (0.05 millimeters or less), high-purity gold wire (99.9 percent or more by weight of gold), containing chemical dopants. The semiconductor industry utilizes this product in the wirebonding process to provide electrical connections between a die (an individually cut piece of silicon wafer onto which miniature electronic circuits are etched) and the leads of a semiconductor package, for the manufacture of integrated circuits, diodes, sensors, and other semiconductor devices. Dutiable imports of all goods covered by HTS subheading 7108.13.70 (semi-manufactured nonmonetary gold forms, other than gold leaf) totaled about \$9.2 million in 2007, primarily from Japan, Switzerland, Singapore,⁴ and Italy.

¹ Industry analysts preparing report: Karl Tsuji (202-205-3434) and Vincent DeSapio (202-205-3435); 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 Only originating goods of Singapore are eligible for benefits of the U.S.-Singapore Free Trade Agreement.

Estimated effect on customs revenue:

HTS subheading: 7108.13.70					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty	4.1%	4.1%	4.1%	4.1%	4.1%
Estimated value <i>dutiable</i> imports	\$1,780,000	\$1,380,000	\$1,110,000	\$1,110,000	\$1,110,000
Customs revenue loss 1/	\$0	\$56,580	\$45,510	\$45,510	\$45,510

12/ There is an existing duty suspension under HTS heading 9902.71.08 that expires on December 31, 2009. Therefore, there will be no customs revenue loss related to this bill in 2009.

Source of estimated dutiable import data: Industry 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?
Micron Technology, Inc. (Proponent) Trevor Martin, Import Specialist, 208-368-1078	05/07/2008	No	No	No
Semiconductor Industry Association (SIA) Anne Craib, Director for International Trade and Government Affairs, 408-573-6606	05/06/2008	No	No	No
Semiconductor Equipment and Materials International (SEMI) Maggie Hershey, Director for Public Policy, 202-289-0440	05/06/2008	No	No	No
California Fine Wire Company Harlan Silva, General Manager and Vice President, 805-489-5144	05/06/2008	Yes	No	No
Kulicke & Soffa Industries, Inc. Mark J. Sullivan, 215-784-6795 Scott Kulicke, Chairman and Chief Executive Officer, 215-784-6000	05/06/2008	No	No	No
Williams Advanced Materials Amy Maundrell, Compliance Specialist, 716-446-2220	05/06/2008	No	No	No

Technical comments:⁵

The existing article description should be amended to read as shown on page 1—in particular by adding the permanent tariff classification of the goods concerned, which is missing from the current heading. We note that the heading as enacted is an “actual use” provision, requiring Customs verification of the application of each shipment within three years of the date of entry. Such provisions present administrative and compliance burdens for Customs and for importers.

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. 5100

To extend the temporary suspension of duty on certain semi-manufactured forms of gold.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 22, 2008

Mr. SIMPSON 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 semi-manufactured forms of gold.

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 SEMI-MANUFACTURED FORMS OF**
4 **GOLD.**

5 (a) IN GENERAL.—Heading 9902.71.08 of the Har-
6 monized Tariff Schedule of the United States is amended
7 by striking “12/31/2009” and inserting “12/31/2011”.

8 (b) EFFECTIVE DATE.—The amendment made by
9 subsection (a) applies to goods entered, or withdrawn from

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- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of the enactment of this Act.

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