

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 109<sup>th</sup> Congress<sup>1</sup>**

[Date approved: July 31, 2006]<sup>2</sup>

**Bill No. and sponsor:** S. 2221 (Mr. Jim DeMint, SC).

**Proponent name, location:** Michelin North America, Inc., Greenville, SC

**Other bills on product (109<sup>th</sup> Congress only):** H.R. 4484.

**Nature of bill:** Extension of existing temporary duty suspension through December 31, 2009.

**Retroactive effect:** None.

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

Extruders to be used in production of radial tires designed for off-the-highway use with a rim measuring 63.5 cm or more in diameter (provided for in subheading 4011.20.10, 4011.61.00, 4011.63.00, 4011.69.00, 4011.92.00, 4011.94.40, or 4011.99.45), numerically controlled, or parts thereof (provided for in subheading 8477.20.00 or 8477.90.85).

**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:**

Extruders (and related parts) of a type used for processing rubber in the tire manufacturing process are used to mix and form rubber by heating rubber and steadily pressing the material through a barrel by means of a large rotating screw. The barrel is attached to a mold, through which the rubber is then pushed to form the desired shape. Extruders are used to make the rubber tread and tire sidewalls. These machines are numerically controlled.<sup>3</sup> The principal import source of these machines is France.

<sup>1</sup> Industry analyst preparing report: Dennis Fravel (202-205-3404); Tariff Affairs contact: Jan Summers (202-205-2605).

<sup>2</sup> Access to an electronic copy of this memorandum is available at [http://usitc.gov/tata/hts/other/rel\\_doc/bill\\_reports/index.htm](http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm).

<sup>3</sup> The term "numerically controlled" means computer numerically controlled, in which the control system adds fully automatic programmable positioning and feed rate control of the machine's axis movement relative to the workpiece, as well as automatic control of other functions.

**Estimated effect on customs revenue:**

<b>Total Revenue Loss for this Bill</b>					
	2006	2007	2008	2009	2010
<del> </del>					
Customs revenue loss 1/	\$9,300	\$31,000	\$21,700	\$31,000	\$52,700

1/ The estimated customs revenue loss for 2006 reflects the existing duty suspension under heading 9902.84.85 that expires on December 31, 2006.

Source of estimated dutiable import data: Sum of table totals below.

<b>HTS subheading: 8477.20.00</b>					
	2006	2007	2008	2009	2010
<del> </del>					
Col. 1-General rate of duty	3.1%	3.1%	3.1%	3.1%	3.1%
Estimated value <i>dutiable</i> imports	\$200,000	\$800,000	\$600,000	\$800,000	\$1,400,000
Customs revenue loss 1/	\$6,200	\$24,800	\$18,600	\$24,800	\$43,400

1/ The estimated customs revenue loss for 2006 reflects the existing duty suspension under heading 9902.84.85 that expires on December 31, 2006.

Source of estimated dutiable import data: Industry and Commission estimates.

<b>HTS subheading: 8477.90.85</b>					
	2006	2007	2008	2009	2010
<del> </del>					
Col. 1-General rate of duty	3.1%	3.1%	3.1%	3.1%	3.1%
Estimated value <i>dutiable</i> imports	\$100,000	\$200,000	\$100,000	\$200,000	\$300,000
Customs revenue loss 1/	\$3,100	\$6,200	\$3,100	\$6,200	\$9,300

1/ The estimated customs revenue loss for 2006 reflects the existing duty suspension under heading 9902.84.85 that expires on December 31, 2006.

Source of estimated dutiable import data: Industry 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)		
Michelin North America, Inc. (Proponent) Steve Evered, 864-458-5080	4/18/2006	No	No	No
Bridgestone Firestone, Inc. Steve Akey, 202-354-8220	5/15/2006	No	No	No
Continental Tire North America, Inc. Tom Williams, 704-583-8570	5/17/2006	No	No	No
Goodyear Tire & Rubber Co. Isabel Jasinowski, 202-682-9250	5/15/2006	No	No	No
Kobelco Stewart Bolling, Inc. David Norman, 330-655-3117	5/18/2006	No	No	No
Titan Tire Corp. Bill Campbell, 515-265-9200	5/15/2006	No	No	No

**Technical comments:**<sup>4</sup> None.

<sup>4</sup> 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.

109TH CONGRESS  
2D SESSION

# S. 2221

To extend the temporary suspension of duty on certain extruders used in the production of radial tires.

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IN THE SENATE OF THE UNITED STATES

JANUARY 30, 2006

Mr. DEMINT introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To extend the temporary suspension of duty on certain extruders used in the production of radial tires.

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 EXTRUDERS USED IN THE PRODUC-**  
4 **TION OF RADIAL TIRES.**

5 (a) IN GENERAL.—Heading 9902.84.85 of the Har-  
6 monized Tariff Schedule of the United States (relating to  
7 certain manufacturing equipment) is amended by striking  
8 “12/31/2006” and inserting “12/31/2009”.

9 (b) EFFECTIVE DATE.—The amendment made by  
10 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 enactment of this Act.

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