

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress ¹**

[Date approved: August 2, 2006]²

Bill No. and sponsor: S. 2714 (Ms. Blanche Lincoln of Arkansas).

Proponent name, location: Wal-Mart Stores, Inc., Bentonville, AR.

Other bills on product (109th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2009.

Retroactive effect: None.

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

Radiobroadcast receivers capable of operating without an external source of power, not containing a clock or clock timer in the same housing, each containing only an AM radiobroadcast receiver (provided for in subheading 8527.19.50).

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:

These goods are radio receivers capable of operating without an external source of power (portable), excluding clock radios, and are capable of receiving signals on only the AM broadcast band. China is the primary source of U.S. imports of these products.

Estimated effect on customs revenue:

HTS subheading: 8527.19.50					
 	2006	2007	2008	2009	2010
Col. 1-General rate of duty	3%	3%	3%	3%	3%
Estimated value <i>dutiable</i> imports	\$115,000	\$100,000	\$90,000	\$80,000	\$70,000
Customs revenue loss	\$3,450	\$3,000	\$2,700	\$2,400	\$2,100

Source of estimated dutiable import data: Official U.S. Government statistics and Commission estimates.

¹ Industry analyst preparing report: John Kitzmiller (202-205-3387); 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.

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) Tres Bailey, 202-737-2806	05/24/2006	No	No	No
Bose Corp. Walter Raheb, 202-207-0897	06/06/2006	No	No	No
Consumer Electronics Association Sean Wargo, 703-907-7083	06/06/2006	No	No	No

Technical comments:³

The proposed language makes no reference to AM radio, but to be classifiable in this HTS heading the good must be a radiobroadcast receiver. However, according to the proponent, the intent of the bill is to address products that receive only AM broadcast signals, which is reflected in the title to section 1 of the bill. The modifications to the description would track the permanent tariff provision more closely and also insert this criterion about AM band reception.

³ 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
2^D SESSION

S. 2714

To temporarily suspend the duty on certain reception apparatus.

IN THE SENATE OF THE UNITED STATES

MAY 4, 2006

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

A BILL

To temporarily suspend the duty on certain reception apparatus.

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 RECEPTION APPARATUS NOT CON-**
4 **TAINING A CLOCK OR CLOCK TIMER, INCOR-**
5 **PORATING ONLY AM RADIO.**

6 (a) IN GENERAL.—Subchapter II of chapter 99 of
7 the Harmonized Tariff Schedule of the United States is
8 amended by inserting in numerical sequence the following
9 new heading:

“	9902.85.27	Reception apparatus for radiotelephony, radiotelegraphy or radio broadcasting, not containing a clock or clock timer (provided for in subheading 8527.19.50)	Free	No change	No change	On or before 12/31/2009	”.
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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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