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

[Date approved: September 27, 2006]<sup>2</sup>

Bill No. and sponsor: S. 3290 (Mr. George Allen of Virginia).

Proponent name, location: Hamilton Beach/Proctor-Silex, Glen Allen, VA.

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)):

Electrothermic toaster ovens, each incorporating a single-slot toaster opening on top of the oven (provided for in subheading 8516.72.00).

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:**

A toaster oven is a kitchen appliance that is very similar to an oven but is much smaller in size. The subject toaster oven is made of metal, has a single toast slot on top and a crumb tray at the bottom, and is designed to sit on a table or counter top. The product's adjustable thermostat, temperature control lever, and cooking rack are characteristics found in a traditional oven. This toaster oven also contains elements of a traditional toaster. Bread is loaded onto a drop-down chassis that is lowered by a slide lever into the toasting cavity. Because this product uses a traditional toasting chassis to toast bread while also having a chamber for heating and baking, it is a combination article in function and in tariff classification. The principal source of imports of toaster ovens is China.

<sup>&</sup>lt;sup>1</sup> Industry analyst preparing report: Ruben Mata (202-205-3403); Tariff Affairs contact: Jan Summers (202-205-2605).

<sup>&</sup>lt;sup>2</sup> Access to an electronic copy of this memorandum is available at <u>http://usitc.gov/tata/hts/other/rel\_doc/bill\_reports/index.htm</u>.

#### **Estimated effect on customs revenue:**

HTS subheading: <u>8516.72.00</u>									
$\searrow$	2006	2007	2008	2009	2010				
Col. 1-General rate of duty	5.3%	5.3%	5.3%	5.3%	5.3%				
Estimated value <i>dutiable</i> imports	\$10,168,000	\$11,568,000	\$11,568,000	\$11,568,000	\$11,568,000				
Customs revenue loss	\$538,904	\$613,104	\$613,104	\$613,104	\$613,104				

Source of estimated dutiable import data: Official U.S. Government statistics and 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)			
Hamilton Beach/Proctor-Silex (Proponent) Tripp Dillard, 804-418-7759	08/09/2006	No	No	No	
Applica, Inc. Harry D. Schulman, 888-677-7251	08/17/2006	No	No	No	
Back to Basics Co. Mark Beesley, 801-523-6600	08/17/2006	No	Yes	Yes	
Conair Corp. Leandro P. Rizzuto, 203-975-4600	08/11/2006	No	No	No	
Jarden Consumer Solutions Rocky Rockingham, 561-912-4371	08/21/2006	No	No	No	
National Presto Industries MaryJo Cohen, 715-839-2121	08/14/2006	No	Yes	Yes	
Salton, Inc. Gary Nash, 866-373-5866	08/07/2006	No	No	No	
Select Brands Eric Endres, 913-663-4500	08/09/2006	No	No	No	
West Bend Housewares Craig Radke, 262-334-6949	08/09/2006	No	No	No	

### **Technical comments:**<sup>3</sup>

It is suggested that the article description be modified as shown on page 1. We note that, in order to reduce the estimated customs revenue loss below \$500,000, the proposed heading's general duty rate would need to be approximately 4.3 percent ad valorem, rather than free.

<sup>&</sup>lt;sup>3</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. 3290

To suspend temporarily the duty on toaster ovens with single-slot traditional toaster opening on top of oven.

## IN THE SENATE OF THE UNITED STATES

May 26, 2006

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

# A BILL

To suspend temporarily the duty on toaster ovens with single-slot traditional toaster opening on top of oven.

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. TOASTER OVENS WITH SINGLE-SLOT TRADI-

4

TIONAL TOASTER OPENING ON TOP OF OVEN.

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

(b) EFFECTIVE DATE.—The amendment made by
 subsection (a) applies to goods entered, or withdrawn from
 warehouse for consumption, on or after the 15th day after
 the date of the enactment of this Act.