United States International Trade Commission
MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress
Date approved June 28, 2012
I. Background
Bill number: H.R. 1615
Sponsor name: Mr. Jim Himes Sponsor state: CT
Interested entity: Name 5NPlus Fairfield Inc.
City Fairfield State CT
Other bills on product (112th Congress only): H.R. 4925 (Mr. Hanna) and S. 2460 (Mr. Schumer)
Nature of bill: Temporary duty suspension
Expiration date: December 31, 2013
Current or previous chapter 99 heading: None
Retroactive date: None
CAS number (if applicable):
Industry analyst: Jack Greenblatt
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Tariff Affairs contact: Daniel Shepherdson
Telephone: 202-205-2598

Note:

1. Access to an electronic copy of this memorandum is available at <u>http://www.usitc.gov/tariff_affairs/congress_reports/.</u>

2. In regard to the country(ies) of origin listed in section III, this report focuses on dutiable imports and does not take into account any tariff preference programs or special rates of duty.

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

Gallium, unwrought (provided for in subheading 8112.92.10)

Description above compared with bill as introduced:

Same

☑ Different (see Technical Comments section)

III. Other product information, including uses/applications and source(s) of imports

Gallium metal is used in many electronic applications including computer chips/integrated circuits, cell and smart phones, and high speed wireless devices. It also is used in optoelectronics, including light emitting diodes (LEDs) and solar cells. Gallium metal is imported primarily from the United Kingdom, Germany, China, Singapore, Canada, and the Netherlands.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	8112.92.10				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty (%)	3	3	3	3	3
Estimated value of <i>dutiable</i> imports (\$)	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
Customs revenue loss (\$)	900,000	900,000	900,000	900,000	900,000

Note: Customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ. Regarding the HTS subheading listed in the article description of the bill, the Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only U.S. Customs and Border Protection is authorized to issue a binding ruling on this matter. The Commission believes that Customs should be consulted prior to enactment of the bill.

Dutiable imports were based on (more than one may apply):

☑ Official statistics of the U.S. Department of Commerce

Provided by industry sources

Industry information

Commission estimates

Duty reduction notes:

⊠ This bill is not a duty reduction

This bill is a temporary duty reduction. Rates are shown below.

Col.1-general duty rate (%		Temporary rate (%)		Percentage point reduction (%)		
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V. Technical comments

The Commission staff suggests that the article description in part II above be used because it more closely reflects HTS nomenclature.

VI. Continuation

If enacted, the tariff relief provided for in this bill would be available to any entity that imports the product that is covered by the bill.

VII. Contacts with domestic firms/organizations

#	Firm/organization and contact name	Telephone number	Claims same or competing product made in the United States	Submission attached	Opposition noted
1	5NPlus Fairfield Inc. (Interested entity) Michael Ian	203-384-0331	No	No	No
2	Gallium Compounds Kevin Reading	918-673-2511	No	No	No
3	Indium Corporation Mary Beth Coholan	315-853-4900	No	No	No
4	IQE Gail Meuser	610-861-6930	No	No	No
5	Nanosolar Sharon Yu	408-694-1408	No	No	No
6	Philips Lumileds Norma Haas	408-964-2900	No	No	No
7	Recapture Metals Todd Hall	435-678-2734	No	No	No
8	U.S. Geological Survey Brian Jaskula	703-648-4908	No	No	No

^{112TH CONGRESS} 1ST SESSION H.R. 1615

To suspend temporarily the duty on Gallium metal.

IN THE HOUSE OF REPRESENTATIVES

April 15, 2011

Mr. HIMES introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To suspend temporarily the duty on Gallium metal.

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. GALLIUM METAL.

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 headings:

" 9902.07.01 Gallium metal (provided for in subheading 8112.92.10) ... Free No change No change On or before 12/31/2013 ".

8 (b) EFFECTIVE DATE.—The amendment made by9 subsection (a) applies to articles entered, or withdrawn

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