



MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress

Date approved

I. Background

Bill number:

Sponsor name:

Sponsor state:

Interested entity:

Name

City

State

Other bills on product (112th Congress only):

Nature of bill:

Expiration date:

Current or previous chapter 99 heading:

Retroactive date:

CAS number (if applicable):

Industry analyst:

Telephone:

Tariff Affairs contact:

Telephone:

Note:

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

Yarn of carded cashmere of 19.35 metric yarn count or higher (provided for in subheading 5108.10.80)

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

This bill covers yarns made wholly of carded cashmere and those of carded cashmere blends in which the cashmere predominates by weight over any other single textile fiber. The yarns are of 19.35 metric count or higher, which is considered very fine. Such yarns are typically used to make woven fabrics for use in men's and women's jackets. Because such yarns are costly, they are generally used only for custom tailored garments. The subject yarns are produced from fibers processed into yarn on the woolen system as opposed to the worsted spinning system. In general, fibers that are merely carded are spun into woolen yarns, and those that undergo both carding and combing are spun into worsted yarns. The yarns are primarily imported from Italy.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	5108.10.80				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty (%)	4	4	4	4	4
Estimated value of <i>dutiable</i> imports (\$)	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Customs revenue loss (\$)	60,000	60,000	60,000	60,000	60,000

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 (%)

V. Technical comments

We note that the bill's title indicates that it would extend the temporary reduction of duty on the subject goods, when in fact it would extend a temporary duty suspension. Although the title has no legal significance, the error could cause confusion.

VI. Continuation

Suggested Article Description... -- continued:

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	Warren Corporation (Interested entity) Lisa Cornish	860-684-2766	No	No	No
	2	American Manufacturing Trade Action Coalition Sara Beatty	202-452-0866	No	No	No
	3	Hanora Spinning Gerald Beyer	401-767-3360	No	No	No
	4	Jagger Brothers David Jagger	207-324-5622	No	No	No
	5	Kentwool Mark Kent	864-878-6367	No	No	No
	6	National Council of Textile Organizations Sarah Pierce	202-822-8026	No	No	No
	7	National Textile Association David Trumbull	617-542-8220	No	No	No

112TH CONGRESS
2D SESSION

H. R. 4524

To extend the temporary reduction of duty on yarn of carded cashmere
19.35 metric yarn count or higher.

IN THE HOUSE OF REPRESENTATIVES

APRIL 24, 2012

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

A BILL

To extend the temporary reduction of duty on yarn of carded
cashmere 19.35 metric yarn count or higher.

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. YARN OF CARDED CASHMERE 19.35 METRIC**

4 **YARN COUNT OR HIGHER.**

5 (a) IN GENERAL.—Heading 9902.03.02 of the Har-
6 monized Tariff Schedule of the United States (relating to
7 yarn of carded cashmere of 19.35 metric yarn count or
8 higher) is amended by striking the date in the effective
9 period column and inserting “12/31/2015”.

1 (b) **EFFECTIVE DATE.**—The amendments made by
2 subsection (a) apply with respect to goods entered, or
3 withdrawn from warehouse for consumption, on or after
4 the 15th day after the date of enactment of this Act.

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