



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)):

Fine animal hair of Kashmir (cashmere) goats, processed beyond the degreased or carbonized condition (provided for in HTS subheading 5102.11.90).

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

The subject hair of Kashmir (cashmere) goat fiber is not carded or combed. Cashmere fiber goes through several processing steps before it is carded and combed. Generally, the fiber is sorted and then scoured to remove dirt, grease, and vegetable matter. The fiber is then "dehaired" to remove more of the vegetable matter, as well as dandruff and the coarse outer guard hair. Then the cashmere fiber is generally ready for carding and/or combing, after which it is spun into yarn which will be used to make woven fabrics normally used to make apparel. Imports under HTS subheading 5102.11.90 totaled \$3.7 billion in 2011 and were primarily from Italy. The column 1-general duty rate for subheading 5102.11.90 is 4.9¢/kg plus 4% ad valorem; the calculated ad valorem equivalent duty rate is 4.1%.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)					
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty (%)	4.1	4.1	4.1	4.1	4.1
Estimated value of <i>dutiable</i> imports (\$)	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Customs revenue loss (\$)	82,000	82,000	82,000	82,000	82,000

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 Mfg 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	National Council of Textile Organizations, Sarah Pierce	202-822-8026	No	No	No
6	National Textile Association, David Trumbull	617-542-8220	No	No	No
7	KentWool Mark Kent	864-878-6367	No	No	No

112TH CONGRESS
2D SESSION

H. R. 4531

To extend the temporary reduction of duty on fine animal hair of Kashmir (cashmere) goats, processed beyond the degreased or carbonized condition.

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 fine animal hair of Kashmir (cashmere) goats, processed beyond the degreased or carbonized condition.

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. FINE ANIMAL HAIR OF KASHMIR (CASHMERE)**

4 **GOATS, PROCESSED BEYOND THE**

5 **DEGREASED OR CARBONIZED CONDITION.**

6 (a) IN GENERAL.—Heading 9902.22.77 of the Har-
7 monized Tariff Schedule of the United States (relating to
8 fine animal hair of Kashmir (cashmere) goats, processed
9 beyond the degreased or carbonized condition) is amended

1 by striking the date in the effective period column and
2 inserting “12/31/2015”.

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

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