



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)):

Acrylic filament tow containing 85 percent or more by weight of acrylonitrile units and 2 percent or more but not over 3 percent of water, colored, crimped, with an average decitex of 3.3 (plus or minus 10 percent) and an aggregate filament measure in the tow bundle from 660,000 to 1,200,000 decitex, with a length greater than 2 meters (provided for in subheading 5501.30.00)

(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.)

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 tow is used to make craft yarns, and yarns for blankets and hosiery. Imports are primarily from Turkey and Spain.

IV. Estimated effect on customs revenue

| Subject product HTS subheading(s) | 5501.30.00 | | | | |
|--|------------|-----------|-----------|-----------|-----------|
| Item | 2013 | 2014 | 2015 | 2016 | 2017 |
| Col.1-general rate of duty (%) or percentage point reduction | 7.5 | 7.5 | 7.5 | 7.5 | 7.5 |
| Estimated value of <i>dutiable</i> imports (\$) | 5,000,000 | 5,000,000 | 5,000,000 | 5,000,000 | 5,000,000 |
| Customs revenue loss (\$) | 375,000 | 375,000 | 375,000 | 375,000 | 375,000 |

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

The article description set forth above changed the requirement that the product be "between 660,000 and 1,200,000 decitex" to "from 660,000 to 1,200,000 decitex" to achieve consistency with similar chapter 99 provisions and to reflect the intent described by the interested entity.

VI. Continuation

Criteria specified in the proposed article description of the new HTS heading overlap those specified in heading 9902.10.21 and are close to or overlapping with those of several other temporary HTS headings (taking into account specified variances), making an accurate estimate of future imports under each such heading difficult.

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 | National Spinning Co., Inc. (Interested entity) Jim Chesnutt | 252-975-7218 | No | No | No |
| 2 | American Fiber Manufacturers Association Frank Horne | 404-266-0764 | No | No | No |
| 3 | Coats North America Chris Smith | 704-329-5800 | No | No | No |
| 4 | Glen Raven, Inc. John Coates | 336-227-6211 | No | No | No |
| 5 | Mitsui USA, Inc. Takeshi Buck Ogaku | 212-878-4000 | No | No | No |
| 6 | Patrick Yarn Mills Gilbert Patrick | 704-739-4119 | No | No | No |
| 7 | Sterling Fibers, Inc. Suzie Allender | 850-994-5311 | No | No | No |
| 8 | Tuscarora Yarns, Inc. Joe S. McLester | 704-436-6527 | No | No | No |

112TH CONGRESS
2D SESSION

H. R. 4553

To suspend temporarily the duty on certain acrylic filament tow.

IN THE HOUSE OF REPRESENTATIVES

APRIL 24, 2012

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

A BILL

To suspend temporarily the duty on certain acrylic filament
tow.

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 ACRYLIC FILAMENT TOW.**

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 heading:

| | | | | | | | |
|---|------------|--|------|-----------|-----------|-------------------------|----|
| “ | 9902.01.00 | Acrylic filament tow containing 85 percent or more by weight of acrylonitrile units and 2 percent or more but not over 3 percent of water, colored, crimped, with an average decitex of 3.3 (plus or minus 10 percent) and an aggregate filament measure in the tow bundle between 660,000 and 1,200,000 decitex, with a length greater than 2 meters (provided for in sub-heading 5501.30.00) | Free | No change | No change | On or before 12/31/2015 | ”. |
|---|------------|--|------|-----------|-----------|-------------------------|----|

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

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