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	Inter	United States National Trade Commission	ton /			
		MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress				
		Date approved July 19, 2012				
I. Background	d					
Bill number:	H.R. 49	980				
Sponsor name: Sponsor state:	Mr. Da MI	an Benishek				
Interacted outity						
Interested entity Name		ne Fireworks				
	Kawkawl					
· · ·	MI					
Other bills on p	roduct (1	12th Congress only): S. 2464 (Mr. Carl Levin, MI)				
Nature of bill:	Temp	porary duty suspension				
Expiration date:		mber 31, 2015				
-		oter 99 heading: None				
Retroactive date: None		None				
CAS number (if	applicab	le): None				
	Г					
Industry analyst	F	Larry Johnson				
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	Tariff Affairs contact: Dan Shepherdson					
Telephone: 202-2		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)):

1.3G grade fireworks (provided for in subheading 3604.10.10)

(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 products are known as display, professional, or commercial fireworks. They are larger than consumer fireworks and are not available to the general public. 1.3G grade fireworks generally require a special license to buy, store, and use. These fireworks are commonly seen in large displays sponsored by a city or other large organization. They are classified as "Fireworks UN0335, 1.3G" for transportation purposes. The products are imported mainly from China.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	3604.10.10						
ltem	2013	2014	2015	2016	2017		
Col.1-general rate of duty or percentage point reduction (%)	2.4	2.4	2.4	2.4	2.4		
Estimated value of <i>dutiable</i> imports (\$)	33,000,000	35,000,000	36,000,000	38,000,000	39,000,000		
Customs revenue loss (\$)	792,000	840,000	864,000	912,000	936,000		

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:

 \boxtimes 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

None

VI. Continuation

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	Wolverine Fireworks (Interested entity) Josh Carter	989-662-0121	No	No	No
2	American Pyrotechnics Association Julie Heckman	301-907-8181 240-401-4513	No	No	No
3	Pyrotechnics Guild International John Steinberg	920-558-4681 410-655-8594	No	No	No

112TH CONGRESS 2D SESSION H.R. 4980

To suspend temporarily the duty on 1.3G grade fireworks.

IN THE HOUSE OF REPRESENTATIVES

April 27, 2012

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

A BILL

To suspend temporarily the duty on 1.3G grade fireworks.

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. 1.3G GRADE FIREWORKS.

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:



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

- 1 warehouse for consumption, on or after the 15th day after
- $2 \ \ {\rm the \ date \ of \ enactment \ of \ this \ Act.}$