



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)):

Brakes designed for bicycles (other than drum brakes, caliper and cantilever brakes, and coaster brakes) and parts thereof (provided for in subheading 8714.94.90)

(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 brakes designed for bicycles, other than drum brakes, caliper and cantilever brakes, and coaster brakes, as well as parts of the covered brakes. A bicycle brake is a device for slowing or stopping the motion of a bicycle. Subheading 8714.94.90 covers all brakes for motorcycles, bicycles, and wheelchairs that are not enumerated specifically in subheading 8714.94.30 and also excluded from heading 9902.24.71. Those products designed for bicycles include disc and hydraulic brakes, with many variations for different sizes and types. Taiwan and Japan are the leading suppliers of such bicycle brakes, with Taiwan accounting for 59 percent of total U.S. imports in 2011 and Japan, 31 percent.

This bill would reduce the rate of duty in heading 9902.24.71 from 6.3 percent ad valorem to free. Heading 9902.24.71 currently provides for reduced duties (from 10 percent to 6.3 percent) for the subject brakes for bicycles through December 31, 2012.

IV. Estimated effect on customs revenue

Table with 6 columns: Subject product HTS subheading(s), 2013, 2014, 2015, 2016, 2017. Rows include Col.1-general rate of duty or percentage point reduction (%), Estimated value of dutiable imports (\$), and Customs revenue loss (\$).

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

None

VI. Continuation

S. 2657 is identical to H.R. 4990.

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	Bicycle Products Suppliers Association (Interested entity) Brock Landry	202-256-3580	No	No	No
2	American Mentality, Inc. Rachel Rotz	407-599-7255 extension 101	No	No	No
3	DK Products Chris Keller	937-746-9075	No	No	No
4	Hayes Bicycle Group Adam Micklin	262-242-4300	No	No	No
5	Mavic, Inc. Sean Sullivan	978-469-8409	No	No	No
6	Odyssey BMX/Bear Corporation Marie Josie Nakich	562-623-9995	No	No	No
7	ProNet, Inc. Mike Kalmbach	360-782-2477	No	No	No
8	Quality Bicycle Products, Inc. Matt Moore	952-941-9391 extension 1255	No	No	No
9	Sigma Sport USA Brian Orloff	630-761-1106	No	No	No
10	Staats Motocross Bicycles Jason Halverson	801-943-8502	No	No	No
11	Trek Bicycle Corporation Jonathan Fritz	920-478-2191	No	No	No
12	Wald LLC Ralph A. Pawsat	606-564-4078	No	No	No

112TH CONGRESS
2^D SESSION

H. R. 4990

To suspend temporarily the duty on certain brakes designed for bicycles

IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 2012

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

A BILL

To suspend temporarily the duty on certain brakes designed
for bicycles.

1 Be it enacted by the Senate and House of Represent
2 tives of the United States of America in Congress assem

3 **SECTION 1. CERTAIN BRAKES DESIGNED FOR BICYCLES.**

4 (a) IN GENERAL.—Heading 9902.24.71 of the Har-
5 monized Tariff Schedule of the United States (relating
6 certain brakes designed for bicycles) is amended—

7 (1) by striking “6.3%” and inserting “Free”
8 and

9 (2) by striking the date in the effective peri
10 column and inserting “12/31/2015”.

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

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