



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)):

Imitation jewelry earrings, of base metal, whether or not plated with precious metal (provided for in 7117.19.90).

(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 product, imitation jewelry earrings, is often referred to as "fashion" or "costume" jewelry. Such jewelry provides an alternative to more costly precious jewelry of precious metals, pearls, precious stones, semi-precious stones, or a combination thereof. China is the major source for U.S. imports of this product.

IV. Estimated effect on customs revenue

| Subject product HTS subheading(s) | HTS 7117.19.90 | | | | |
|--|----------------|------------|------------|------------|------------|
| Item | 2013 | 2014 | 2015 | 2016 | 2017 |
| Col.1-general rate of duty or percentage point reduction (%) | 11 | 11 | 11 | 11 | 11 |
| Estimated value of <i>dutiable</i> imports (\$) | 70,000,000 | 70,000,000 | 70,000,000 | 70,000,000 | 70,000,000 |
| Customs revenue loss (\$) | 7,700,000 | 7,700,000 | 7,700,000 | 7,700,000 | 7,700,000 |

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 was modified for greater clarity and for conformity with the permanent tariff subheading. The interested entity has not provided additional criteria that might be considered as a means of narrowing the scope of the provision.

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 | ANN, Inc. (Interested entity) Bryan Wolfe | 212-536-4183 | No | No | No |
| 2 | Anthropologie Daryl Strickland | 800-309-2500 | No | No | No |
| 3 | Claire's Stores, Inc. J. Per Brodin | 954-433-3900 | No | No | No |
| 4 | Coldwater Creek, Inc. Bobbi Earle | 208-263-3977 | No | No | No |
| 5 | Fashion Jewelry and Accessories Trade Association (FJATA) Brent Cleaveland | 401-667-0520 | Yes | No | No |
| 6 | Gap Inc. Margot Shaub | 650-952-4400 | No | No | No |
| 7 | J.C. Penney Co., Inc. Sandra Fallgatter | 214-544-5652 | No | No | No |
| 8 | J.Crew Group, Inc. Jennifer O'Connor | 212-209-9656 | No | No | No |
| 9 | J.Jill Group, Inc. Julie Lazorko | 617-376-4300 | No | No | No |
| 10 | Lord & Taylor Tim O'Neill | 212-391-3486 | No | No | No |
| 11 | Macy's, Inc. Theresa Gieske | 513-579-7977 | No | No | No |
| 12 | Nordstrom, Inc. Tara Darrow | 206-628-2111 | No | No | No |
| 13 | Sears Holdings Corp. Misty Redman | 847-286-1535 | No | No | No |
| 14 | The Talbots, Inc. Meredith Paley | 212-841-1845 | No | No | No |
| 15 | The TJX Companies, Inc. Sean Kenney | 508-390-2652 | No | No | No |

112TH CONGRESS
2D SESSION

H. R. 5178

To suspend temporarily the duty on imitation jewelry earrings.

IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 2012

Mrs. MALONEY introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To suspend temporarily the duty on imitation jewelry earrings.

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. IMITATION JEWELRY EARRINGS.**

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 | Imitation jewelry earrings (provided for in 7117.19.90) | Free | No change | No change | On or before 12/31/2015 | ”. |
|---|------------|---|------|-----------|-----------|----------------------------|----|

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

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

○