



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)):

Pepperoncini, prepared or preserved otherwise than by vinegar or acetic acid, not frozen (provided for in subheading 2005.99.55)

(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 a variety of Capsicum annuum that are preserved and typically sold to consumers in jars. While multiple similar varieties of Capsicum annuum are grown in the U.S., no U.S. firm processing these peppers into a product similar to pepperoncini could be identified. Pepperoncini are commonly used in salads, on pizzas, in antipasto platters, on sandwiches, or as a garnish. Greece and Turkey are major U.S. suppliers of this product.

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, 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

Estimated effects on customs revenue -- continued:

Dutiable imports of this product fluctuate, but they averaged about \$5.7 million over the last four years. The estimation of dutiable imports presented here was derived by starting at this \$5.7 million average and accounting for 1% annual growth. The difference between customs revenue with the temporary duty suspension and under the general rate of 14.9% exceeded \$500,000 in 2008, 2009, and 2011, and this relationship is expected to continue over the forecast period.

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	Association of Food Industries (interested entity) David Olave	202-216-9307	No	No	No
2	World Finer Foods Inc. Barbara Harloe	973-338-0300, x129	No	No	No
3	Borges USA Marie Staley	559-498-2919	No	No	No
4	Rema Foods Inc. David Rockwood	201-947-1000, x129	No	No	No
5	Schreiber Foods Howard Schreiber	201-327-3535	No	No	No
6	Omega Foods George Samartzis	201-825-6611	No	No	No
7	California League of Food Processors Rob Neenan	916-640-8150	No	No	No
8	Food Match Inc. Norah Burton	212-239-6923	No	No	No
9	Tee Pee Olives, Inc. Joseph Fairchild	914-925-0450	No	No	No
10	Orleans Packing Company George Gebelein	617-361-6611	No	No	No
11	Musco Food Corp. Teresa Reynolds	718-326-9696	No	No	No
12	Atalanta Corporation Charles Gabbert	908-351-8000, x263	No	No	No
13	Victoria Fine Foods Jerry Aquilina	718-927-3000	No	No	No
14	Safe Food Corp. Yigit Isiker	201-865-7100	No	No	No

112TH CONGRESS
2D SESSION

H. R. 5274

To extend the temporary suspension of duty on pepperoncini, prepared or preserved otherwise than by vinegar or acetic acid, not frozen.

IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 2012

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

A BILL

To extend the temporary suspension of duty on pepperoncini, prepared or preserved otherwise than by vinegar or acetic acid, not frozen.

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. PEPPERONCINI, PREPARED OR PRESERVED**
4 **OTHERWISE THAN BY VINEGAR OR ACETIC**
5 **ACID, NOT FROZEN.**

6 (a) IN GENERAL.—Heading 9902.10.27 of the Har-
7 monized Tariff Schedule of the United States (relating to
8 pepperoncini, prepared or preserved otherwise than by vin-
9 egar or acetic acid, not frozen) is amended by striking the

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

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

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