



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)):

Cermets and articles thereof, the foregoing for use in ceramic discharge lamps (provided for in subheading 8113.00.00).

(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 products are input materials for ceramic discharge lamps and articles made from such cermets. Cermets are metal ceramic composite materials. The cermets used in ceramic discharge lamps are a combination of ceramic and molybdenum. The products are part of the electrical feedthroughs to the electrodes in ceramic metal halide discharge tubes specifically for Philips High Intensity Discharge Lamps. Imports of these cermets come from the Netherlands and Belgium. There is no known U.S. production of these cermets and no confirmed users other than Philips Lighting Company.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	8113.00.00				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty (%) or percentage point reduction	3.7	3.7	3.7	3.7	3.7
Estimated value of <i>dutiable</i> imports (\$)	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
Customs revenue loss (\$)	59,200	59,200	59,200	59,200	59,200

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 simplified compared to the bill as drafted. We note that this provision is drafted as an "actual use" provision requiring post-entry verification by Customs officials and thereby posing some administrative burden on Customs and the importers. However, given the breadth of the permanent tariff category and the specific desired end use, this requirement is likely to be the simplest method of limiting the product scope to the desired goods.

VI. Continuation

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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	Philips Lighting Co. Randall B. Moorhead	202-962-8555	No	No	No
	2	American Ceramic Society Stefani Cherone	240-646-7054	No	No	No
	3	International Molybdenum Association Tim Outerridge	44-20-7871-1580	No	No	No

112TH CONGRESS
2D SESSION

H. R. 5474

To suspend temporarily the duty on cermets for ceramic discharge lamps.

IN THE HOUSE OF REPRESENTATIVES

MAY 7, 2012

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

A BILL

To suspend temporarily the duty on cermets for ceramic discharge lamps.

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. CERMETS FOR CERAMIC DISCHARGE LAMPS.**

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	Cermets for ceramic discharge lamps and articles thereof, for use in ceramic discharge lamps (provided for in subheading 8113.00.00)	Free	No change	No change	On or before 12/31/2015	”.
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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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