



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)):

Forged steel crankshafts other than for vehicles of chapter 87, each measuring 1868 mm or more in length and weighing 453 kg or more, with a stroke radius of 95 mm or more (provided for in subheading 8483.10.30)

(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 is a part for very powerful, off-highway diesel engines producing 1000 to 3000 KW of power, such as engines for power generation units and large mining equipment. The crankshaft transforms the linear motion of the pistons into a rotational movement which is delivered at the engine flywheel and connected to the load. The crankshaft is made of specialty steel whose properties include toughness and wear resistance. The steel is forged into a complex shape and then the surfaces for the bearings and connecting rods are machined. This is a highly complex part requiring a very large machining unit to finish it. The principal sources of dutiable U.S. imports are Germany, Japan, and China.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	8483.10.30				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty or percentage point reduction (%)	2.5	2.5	2.5	2.5	2.5
Estimated value of <i>dutiable</i> imports (\$)	28,000,000	30,000,000	32,000,000	34,000,000	37,000,000
Customs revenue loss (\$)	700,000	750,000	800,000	850,000	925,000

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

None

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	Tognum America, Inc. (Interested entity) John Gallagher Robert Kyle	703-812-4857 202-637-5600	No	No	No
2	American Foundry Society Jerry Call	847-824-0181	No	No	No
3	Atlas-Industries Jim Elfring	419-355-1000	No	No	No
4	Caterpillar Christopher Myers	202-466-0671	No	No	No
5	Cummins Marya Rose Todd Wieland	812-377-3892	No	No	No
6	Dana Corp. Marc Levin	419-535-4500	No	No	No
7	Delphi Dina Vizzaccaro David Sherbin	248-813-2490	No	No	No
8	Ellwood Group Renee Butler	724-752-3680	No	No	No
9	General Electric Veronica Nosko	202-637-4000	No	No	No
10	General Motors Brad Welling	202-775-5041	No	No	No
11	Great Lakes Forge Peter Jones	800-748-0271	No	No	No
12	Mahle Jeff Trent	423-318-3124	No	No	No
13	Motor and Engine Manufacturers Association (MEMA) Catherine Boland	202-312-9241	No	No	No
14	National Marine Manufacturers Association (NMMA) Lauren Dunn	202-737-9752	No	No	No
15	National Tooling and Machining Association (NTMA) Christie Carmigiano	800-248-6862	No	No	No
16	Probe Industries Tim Lyons	310-784-2977 x2910	No	No	No
17	Stanadyne Edward May	860-525-0821	No	No	No

112TH CONGRESS
2^D SESSION

H. R. 5525

To suspend temporarily the duty on forged steel crankshafts other than for vehicles of chapter 87, each measuring 1868 millimeters or more in length.

IN THE HOUSE OF REPRESENTATIVES

MAY 7, 2012

Mr. WILSON of South Carolina introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To suspend temporarily the duty on forged steel crankshafts other than for vehicles of chapter 87, each measuring 1868 millimeters or more in length.

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. FORGED STEEL CRANKSHAFTS OTHER THAN**
4 **FOR VEHICLES OF CHAPTER 87, EACH MEAS-**
5 **URING 1868 MILLIMETERS OR MORE IN**
6 **LENGTH.**

7 (a) IN GENERAL.—Subchapter II of chapter 99 of
8 the Harmonized Tariff Schedule of the United States is

1 amended by inserting in numerical sequence the following
 2 new heading:

“	9902.01.00	Forged steel crankshafts other than for vehicles of chapter 87, each measuring 1868 mm or more in length and weighing 453 kg or more, with a stroke radius of 95 mm or more (provided for in sub-heading 8483.10.30)	Free	No change	No change	On or before 12/31/2015	”.
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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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