

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, D.C.

Investigation No. 332-505

Use of the “First Sale Rule” for Customs Valuation of U.S. Imports

AGENCY: United States International Trade Commission.

ACTION: Institution of investigation.

SUMMARY: Pursuant to section 15422(c)(1) of the Food, Conservation, and Energy Act of 2008 (Public Law 110-234) and section 332(g) of the Tariff Act of 1930 (19 U.S.C. 1332(g)), the Commission has instituted investigation No. 332-505, *Use of the “First Sale Rule” for Customs Valuation of U.S. Imports*, for the purpose of preparing the report required by section 15422(c)(1).

DATES:

April 30, 2009: Deadline for filing written submissions.

February 2010: Anticipated transmittal of Commission report to Congress.

ADDRESSES: All Commission offices, including the Commission’s hearing rooms, are located in the United States International Trade Commission Building, 500 E Street SW, Washington, DC. All written submissions should be addressed to the Secretary, United States International Trade Commission, 500 E Street SW, Washington, DC 20436. The public record for this investigation may be viewed on the Commission’s electronic docket (EDIS) at <http://www.usitc.gov/secretary/edis.htm>.

FURTHER INFORMATION: For information specific to this investigation, contact project leader Michael Ferrantino (202-205-3241 or michael.ferrantino@usitc.gov) or deputy project leader Nannette Christ (202-205-3263 or nannette.christ@usitc.gov). For information on the legal aspects of this investigation, contact William Gearhart of the Commission’s Office of the General Counsel (202-205-3091 or william.gearhart@usitc.gov). The media should contact Margaret O’Laughlin, Office of External Relations (202-205-1819 or margaret.olaughlin@usitc.gov). Hearing-impaired individuals may obtain information on this matter by contacting the Commission’s TDD terminal at 202-205-1810. General information concerning the Commission may also be obtained by accessing its Internet site (<http://www.usitc.gov>). Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202-205-2000.

BACKGROUND: Section 15422(c)(1) of the Food, Conservation, and Energy Act of 2008 (“2008 Act”), enacted on May 22, 2008, requires the Commission to submit a report to the House Committee on Ways and Means and the Senate Committee on Finance that contains certain customs transaction valuation information compiled by the Commission from information furnished to the Commission by the Commissioner of U.S. Customs and Border Protection (CBP). Section 15422(c)(2) requires that the Commission include the following information in its report:

- (1) the aggregate number of importers that declare the transaction value of the imported merchandise is determined on the basis of the method described in section 15422(a)(2) of the 2008 Act, including a description of the frequency of the use of such method;
- (2) the tariff classification of such imported merchandise under the Harmonized Tariff Schedule of the United States (HTS) on an aggregate basis, including an analysis of the tariff classification of such imported merchandise on a sectoral basis;

(3) the aggregate transaction value of such imported merchandise, including an analysis of the transaction value of such imported merchandise on a sectoral basis; and

(4) the aggregate transaction value of all merchandise imported into the United States during the 1-year period specified in section 15422(a)(3).

To assist the Commission in preparing its report, section 15422(b) of the 2008 Act requires that the Commissioner of CBP provide monthly reports to the Commission, covering the period August 20, 2008–August 19, 2009, that include (1) the number of importers that declare the transaction value of the imported merchandise is determined on the basis of first or earlier sale, (2) the tariff classification of such imported merchandise under the HTS, and (3) the transaction value of such imported merchandise. The 2008 Act requires the Commission to submit its report 90 days after receipt of the final monthly report from CBP. The Commission expects to receive the final monthly report from CBP in November 2009 and therefore expects to transmit its report to the committees in February 2010.

The Commission has also instituted this investigation under section 332(g) of the Tariff Act of 1930 to facilitate docketing of submissions and public access to Commission records through the Commission's EDIS electronic records system.

WRITTEN SUBMISSIONS: The Commission does not plan to hold a public hearing in the course of this investigation. Interested parties are, however, invited to submit written statements containing information and their views. All such statements should be addressed to the Secretary and should be received not later than 5:15 p.m., April 30, 2009. All statements must conform with the provisions of section 201.8 of the Commission's *Rules of Practice and Procedure* (19 C.F.R. 201.8), which requires that a signed original (or a copy designated as an original) and fourteen (14) copies of each document be filed. In the event that confidential treatment of the document is requested, at least four (4) additional copies must be filed, in which the confidential information must be deleted (see the following paragraph for further information regarding confidential business information). The Commission's rules do not authorize filing submissions with the Secretary by facsimile or electronic means, except to the extent permitted by section 201.8 of the rules (see *Handbook for Electronic Filing Procedures*, http://www.usitc.gov/secretary/fed_reg_notices/rules/documents/handbook_on_electronic_filing.pdf); persons with questions regarding electronic filing should contact the Office of the Secretary at 202-205-2000.

Any submission that contains confidential business information must also conform with the requirements of section 201.6 of the Commission's *Rules of Practice and Procedure* (19 C.F.R. 201.6). Section 201.6 of the rules requires that the cover of the document and the individual pages be clearly marked as to whether they are the "confidential" or "non-confidential" version, and that the confidential business information be clearly identified by means of brackets. All written submissions, except for confidential business information, will be made available in the Office of the Secretary for inspection by interested parties.

The Commission anticipates that the report it sends to the committees in this investigation will be made available to the public in its entirety. Consequently, the report that the Commission sends to the committees will not contain any confidential business information. Any confidential business information received by the Commission in this investigation and used in preparing its report will not be published in a manner that would reveal the operations of the firm supplying the information.

By order of the Commission.

Marilyn R. Abbott
Secretary to the Commission

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