

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 108th Congress ¹**

[Date approved: August 27, 2004]²

Bill No. and sponsor: H.R. 4451 (Rep. McKeon).

Proponent name, location: Anza Sport Group, Inc., d.b.a. Mechanix Wear, California.

Other bills on product (108th Congress only): None.

Nature of bill: Permanent tariff changes.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

The bill would amend an existing subheading's article description to broaden its scope and would then insert a new Additional U.S. Note to define the product involved. We would suggest a range of changes in the bill, and due to their length we have set them forth in the Technical Comments section together with an explanation.

Check one: Same as that in bill as introduced
 Different from that in bill as introduced (explain differences in Technical comments section)

Product information, including uses/applications and source(s) of imports:

Subheading 6216.00.46 now covers gloves, mittens and mitts, not impregnated, coated or covered with plastics or rubber, of man-made fibers, specially designed for use in sports, including ski and snowmobile gloves, mittens and mitts. The proposed bill would reclassify the above-described specialty mechanics gloves from subheading 6216.00.58 (other gloves, with fourchettes), dutiable at 20.7¢/kg. + 10.4 percent ad valorem, to subheading 6216.00.46, dutiable at 2.8 percent ad valorem. The bill would effectively overturn various Customs Headquarters Rulings of September 10, 2003 (HQ 966431 et al.) that held these gloves were not properly classifiable as "specially designed sports gloves" because the intended wearers were not themselves the participants in a sport but were either supporting crews or completely separate mechanics in auto repair shops.

¹ Industry analyst preparing report: Brian Allen (202-708-4728); Tariff Affairs contact: Jan Summers (202-205-2605).

² Access to an electronic copy of this memorandum is available at <http://www.usitc.gov/billrpts.htm> Access to a paper copy is available at the Commission's Law Library (202-205-3287) or at the Commission's Main Library (202-205-2630).

Estimated effect on customs revenue:

The import information represents a portion of existing tariff categories, and the exact information on such shipments is considered confidential.

HTS subheading: 6216.00.5820					
	2004	2005	2006	2007	2008
Col. 1-General rate of duty (AVE) <u>1/</u>	20.7¢/kg.+ 10.4 percent (10.9)	20.7¢/kg.+ 10.4 percent (10.9)	20.7¢/kg.+ 10.4 percent (10.9)	20.7¢/kg.+ 10.4 percent (10.9)	20.7¢/kg.+ 10.4 percent (10.9)
Estimated value <i>dutiable</i> imports <u>2/</u>	no more than \$23,527,000	no more than \$23,527,000	no more than \$23,527,000	no more than \$23,527,000	no more than \$23,527,000
Customs revenue loss <u>2/</u>	no more than \$2,005,000	no more than \$2,005,000	no more than \$2,005,000	no more than \$2,005,000	no more than \$2,005,000

1/ The AVE is the ad valorem equivalent of a specific or compound duty rate expressed as a percent, using the most recent import data available.

2/ Actual data are confidential business information, and these figures are based on estimates provided by the largest importer of this product. E-mail and telephone communication with Monte Ward, Advanced Capitol Consulting, July 27-29, 2004.

Source of estimated dutiable import data: Industry and Commission estimates.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	US production of same or competitive product claimed?	Submission attached?	Opposition noted?
			(Yes/No)	
Advanced Capitol Consulting, Monte Ward	July 27-29, 2004	No	No	No
International Glove Association, Carol Burdge	July 22 & 29, 2004	No	No	Yes <u>1/</u>

1/ Telephone conversation with Commission staff, July 29, 2004.

Technical comments:³

This bill would effectively overturn Customs classification rulings determining that mechanics gloves are not sports gloves and thus are properly classifiable in subheading 6216.00.58. To avoid disrupting the line of analysis undertaken by Customs about sports articles, and classifying these gloves with completely unrelated ski and snowmobile gloves, we would suggest creating a separate rate line to provide them with whatever duty treatment is desired. A tariff rate line for the gloves being defined in the proposed additional U.S. note follows (using the general duty rate from subheading 6216.00.46 and other duty rates from 6216.00.58, which Customs holds is the current classification):

The following new subheading is inserted in chapter 62 in numerical sequence, with the article description at the same level of indentation as that of subheading 6216.00.43:

“6216.00.45	Mechanics’ gloves.....	2.8%	Free (A,CA,CL,E, IL,J,JO,MX,SG)	99.2¢/kg + 65%”
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For clarity, we also suggest minor punctuation and wording changes in the note paragraph, so that it would read as follows:

“For purposes of subheading 6216.00.46, the term “mechanics’ gloves” means gloves designed for use by professional auto-racing teams and general automotive mechanics, the foregoing gloves with synthetic leather palms and fingers; fourchettes of synthetic leather, nylon or elastomeric yarn; two-ply backs consisting of knitted elastomeric yarn and tricot liners or three-ply backs consisting of knitted elastomeric yarn, foam and tricot liners; and elastic wrist straps with molded thermoplastic rubber hook-and-loop enclosures.”

The word “spandex” is not used anywhere in the HTS and could present interpretive difficulties. Also, use of the word “thermoplastic” rather than “thermal plastic” would likewise be more consistent with other tariff usage. Last, it is helpful if the measure is made effective on the 15th day after its date of enactment, at a minimum, to assist Customs in programming the new duty treatment.

³ The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

108TH CONGRESS
2D SESSION

H. R. 4451

To amend the Harmonized Tariff Schedule of the United States to correct the definition of certain non-knit gloves designed for use in sports.

IN THE HOUSE OF REPRESENTATIVES

MAY 20, 2004

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

A BILL

To amend the Harmonized Tariff Schedule of the United States to correct the definition of certain non-knit gloves designed for use in sports.

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. CERTAIN NON-KNIT GLOVES DESIGNED FOR**
4 **USE IN SPORTS.**

5 (a) IN GENERAL.—Subheading 6216.00.46 of the
6 Harmonized Tariff Schedule of the United States is
7 amended by inserting “, and mechanics’ gloves” after “in-
8 cluding ski and snowmobile gloves, mittens and mitts”.

9 (b) HEADNOTE.—The Additional U.S. Notes to chap-
10 ter 62 of the Harmonized Tariff Schedule of the United

1 States are amended by adding at the end the following
2 new note:

3 “3. For purposes of subheading 6216.00.46, the term
4 “mechanics’ gloves” means gloves designed for use by
5 professional autoracing teams and general automotive
6 mechanics that consist of synthetic leather palms and
7 fingers, fourchettes of either synthetic leather, nylon,
8 or spandex, two-ply backs consisting of knitted span-
9 dex and tricot liners or three-ply backs consisting of
10 knitted spandex, foam, and tricot liners, and elastic
11 wrist straps with molded thermal plastic rubber hook
12 and loop enclosures.”.

13 (c) EFFECTIVE DATE.—The amendments made by
14 this section apply to articles entered, or withdrawn from
15 warehouse for consumption, on or after the date of enact-
16 ment of this Act.

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