

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress¹**

[Date approved: January 30, 2006]²

Bill No. and sponsor: H.R. 3311 (Mr. Mike Ross of Arkansas).

Proponent name, location: Retail Industry Leaders Association (RILA), Arlington, VA.

Other bills on product (109th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2008.

Retroactive effect: None.

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

Electrically operated pencil sharpeners (provided for in subheading 8472.90.40)

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

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

An electric pencil sharpener is an electrically operated device used to sharpen wooden pencils. The primary components of an electric pencil sharpener include a rotating helical blade that rolls inside of an outer ring. The blade is mounted in an armature that is connected directly to the power train. The power train is a series of gears, commonly six in number, that transform the high speed and low torque of the electric motor into low speed and high torque for the sharpening mechanism. The sharpener contains a sensor by which a pencil must pass to begin the sharpening process. China is the dominant supplier of electric pencil sharpeners to the United States.

¹ Industry analyst preparing report: Ruben Mata (202-205-3403); Tariff Affairs contact: Jan Summers (202-205-2605).

² An electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

Estimated effect on customs revenue:

HTS subheading: 8472.90.40					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	2.6%	2.6%	2.6%	2.6%	2.6%
Estimated value <i>dutiable</i> imports ^{1/}	\$26,000,000	\$24,000,000	\$22,000,000	\$20,000,000	\$18,000,000
Customs revenue loss	\$676,000	\$624,000	\$572,000	\$520,000	\$468,000

^{1/} No data are included on imports now entering free of duty or at reduced duty rates under U.S. free trade agreements or tariff preference programs; such imports may be affected by changes in the general duty rate on the subject goods.

Source of estimated dutiable import data: Commission estimates based on U.S. Government statistics and private industry 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)		
Retail Industry Leaders Assoc. (Proponent) Mr. Jonathan Gold, 703-841-2300	10/27/2005	No	No	No
Elmer's Products Inc. Mr. Theo Muir, 614-985-2600	10/31/2005	No	No	No
Office Depot Mr. Wilson Zhu, 561-438-4562	11/4/2005	No	No	No
Office Max Inc. Mr. Max Baer, 630-438-7800	11/4/2005	No	No	No
Panasonic Home Products Mr. Roland Lenglais, 847-468-5735	10/28/2005	No	No	No
Royal Consumer Information Products Mr. Adam de Paolo, 888-261-3888	10/31/2005	No	No	No
Stanley Bostitch Ms. Carol Palmisano, 800-556-6696	10/31/2005	No	No	No
Staples Business Advantage Mr. Dave McLean, 905-723-0717	11/4/2005	No	No	No

Technical comments:³ None.

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.

109TH CONGRESS
1ST SESSION

H. R. 3311

To suspend temporarily the duty on electrically operated pencil sharpeners.

IN THE HOUSE OF REPRESENTATIVES

JULY 14, 2005

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

A BILL

To suspend temporarily the duty on electrically operated pencil sharpeners.

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. ELECTRICALLY OPERATED PENCIL SHARP-**
4 **ENERS.**

5 (a) IN GENERAL.—Subchapter II of chapter 99 of
6 the Harmonized Tariff Schedule of the United States is
7 amended by inserting in numerical sequence the following
8 new heading:

“	9902.05.70	Electrically operated pencil sharpeners (provided for in subheading 8472.90.40	Free	No change	No change	On or before 12/31/2008	”.
---	------------	--	------	-----------	-----------	-------------------------	----

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 enactment of this Act.

○