

UNITED STATES INTERNATIONAL TRADE COMMISSION

[Investigation No. 1205-5]

Proposed Modifications to the Harmonized Tariff Schedule of the United States

AGENCY: United States International Trade Commission

ACTION: Additional Proposed Amendments

EFFECTIVE DATE: February 28, 2001

SUMMARY: On November 18, 1999, the Commission instituted investigation No. 1205-5, Proposed Modifications to the Harmonized Tariff Schedule of the United States, pursuant to section 1205 of the Omnibus Trade and Competitiveness Act of 1988. Section 1205 directs the Commission to keep the Harmonized Tariff Schedule of the United States (HTS) under continuous review and to recommend modifications to the HTS (1) when amendments to the International Convention on the Harmonized Commodity Description and Coding System (Harmonized System), and the Protocol thereto, are recommended by the World Customs Organization (WCO) (formerly known as the Customs Cooperation Council) for adoption, and (2) as other circumstances warrant. The Commission's final report will set forth the proposed changes and indicate the necessary changes in the HTS that would be needed to conform the HTS to the international nomenclature structure; the report will also include other appropriate explanatory information on the proposed changes. A preliminary report was submitted to the Office of the United States Trade Representative in March 2000. Since that time, the Commission has been informed of additional proposed amendments to the HTS that should be included in the final report.

FOR FURTHER INFORMATION CONTACT: Eugene A. Rosengarden, Director (202-205-2592), Office of Tariff Affairs and Trade Agreements, U.S. International Trade Commission, Washington, DC 20436. Hearing impaired individuals are advised that information on this investigation can be obtained by contacting the TDD terminal on (202) 205-1810.

Background

The majority of the changes proposed in the Commission's preliminary report are the result of the work of the WCO and its Harmonized System Committee (HSC) to update and clarify the Harmonized System nomenclature, as part of the WCO's long-term program to review the nomenclature structure on a formal basis. These proposed changes, which are to become effective on January 1, 2002, are available in the Office of the Secretary, Room 112, United States International Trade Commission, 500 E Street SW, Washington, DC 20436 (telephone 202-205-2000) and are posted on the Commission's website (<http://www.usitc.gov>). These changes encompass all decisions taken by the HSC since the implementation of the last set of WCO modifications to the Harmonized System, which were effective as of January 1, 1996. Future notices will be issued in this investigation indicating the final resolution of all matters and decisions taken by the HSC during the course of Commission consideration.

Other proposed changes included in this investigation are requested by the U.S. Customs Service, in order to clarify the proper tariff classification and duty treatment of particular goods due to decisions of the Court of International Trade, the HSC, or the US Customs Service. These changes, including those which are the subject of this notice, will be treated separately in the Commission's final report.

The Commission has prepared non-authoritative cross-reference tables in its preliminary report to provide guidance to potentially affected parties and to show the likely existing and future tariff classifications of the goods concerned. The Customs Service has domestic legal authority for tariff classification and may provide information, both during the course of the investigation and after the Commission's report is submitted, that indicates different or additional tariff classifications of some goods. Moreover, the WCO will eventually issue a cross-reference table under Article 16 of the Harmonized System Convention, indicating the agreed international classifications (existing and future) of the goods affected by the proposed changes. The latter table may be released later in the Commission's investigation, and differences between international and domestic classification of a few goods may be suggested (in some cases due to reservations filed by WCO member countries or to theoretical or asserted classifications for some goods). Thus, the classifications shown in the Commission's cross-reference tables may be subject to change in the final report.

Additional Proposed Amendments to the HTS

In addition to the changes to the HTS already proposed in the Commission's preliminary report and in the *Federal Register* notices of December 29, 2000 (65 F.R. 83032) and of February 16, 2001 (66 F.R. 10743), the following changes are proposed:

- (1) The following new subheadings 4202.92.05 and 4202.92.10 are inserted in numerical sequence, along with their superior heading and with the level of indentation as indicated below:

	[Trunks, suitcases, vanity cases, attaché cases,...]				
	[Other:]				
	[With outer surface of sheeting of...]				
	"Insulated food or beverage bags:				
4202.92.05	With outer surface of				
	textile materials	7%	Free (A,CA,E,IL,		40%
			J,MX)		
4202.92.10	Other	3.4%	Free (A,CA,E,IL,		80%
			J,MX)"		
	[Travel, sports and similar bags:]				

- (2) Subheadings 4410.10.10 through 4409.10.90 are superseded by the following:

	[Wood (including strips and friezes...]				
	[Coniferous:]				
"4409.10.05	Wood continuously shaped along any of				
	its ends, whether or not also continuously				
	shaped along any of its edges or faces,				
	all the foregoing whether or not planed,				
	sanded or edge-jointed	3.2%	Free (A,CA,E,IL,		33 1/3%
			J, MX)		
	Other:				
4409.10.10	Wood siding	Free			2.2¢/m ²
4409.10.20	Wood flooring	Free			33 1/3%

	Wood moldings:			
	Standard wood molding:			
4409.10.40	Pine (Pinus spp.)	Free		5%
4409.10.45	Other	Free		5%
4409.10.50	Other	Free		40%
	Wood dowel rods:			
4409.10.60	Plain	Free		5%
4409.10.65	Sanded, grooved or otherwise advanced in condition	4.9%	Free (A+,CA,D,E, IL,J,MX)	33 1/3%
4409.10.90	Other	Free		\$1.70/m ³

(3) Subheadings 4409.20.10 through 4409.20.90 are superseded by the following:

	[Wood (including strips and friezes...)]			
	[Nonconiferous:]			
“4409.20.05	Wood continuously shaped along any of its ends, whether or not also continuously shaped along any of its edges or faces, all the foregoing whether or not planed, sanded or edge-jointed	3.2%	Free (A,CA,E,IL, J,MX)	33 1/3%
	Other:			
4409.20.10	Wood siding	Free		4.3¢/m ²
4409.20.25	Wood flooring	Free		8%
	Wood moldings:			
4409.20.40	Standard wood molding	Free		5%
4409.20.50	Other	Free		40%
	Wood dowel rods:			
4409.20.60	Plain	Free		5%
4409.20.65	Sanded, grooved, or otherwise advanced in condition	4.9%	Free (A+,CA,D,E, IL,J,MX)	33 1/3%
4409.20.90	Other	Free		\$1.70/m ³

(4) The article description for subheading 9504.90.40 is superseded by the following:

“Game machines, other than those operated by coins, banknotes (paper currency), discs or other similar articles; parts and accessories thereof”

Written Submissions

Interested parties are invited to submit written statements concerning the proposed changes outlined above. Commercial or financial information that a submitter desires to treat as confidential must be submitted on separate sheets of paper, each clearly marked “Confidential Business Information” at the top. All submissions requesting confidential treatment must conform with the requirements of §201.6 of the Commission’s rules of practice and procedure (19 CFR 201.6). All written submissions, except for confidential business information, will be made available in the Office of the Secretary of the Commission for inspection by interested parties. **To be assured of consideration by the Commission, written statements relating to the proposed changes above should be submitted to the Commission at the earliest practical date and should be received no later than the close of business on March 23, 2001.** All submissions should be addressed to the Secretary, United States International Trade Commission, 500

E Street SW, Washington, DC 20436. The Commission's rules do not authorize filing submissions with the Secretary by facsimile or by electronic means.

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. General information concerning the Commission may also be obtained by accessing its Internet site (<http://www.usitc.gov>). The public record for this investigation may be viewed on the Commission's electronic docket (EDIS-ON-LINE) at <http://dockets.usitc.gov/eol/public>.

List of Subjects

Tariffs/HTS, Harmonized System, WCO, and imports.

By order of the Commission.

Donna R. Koehnke
Secretary

Issued: March 5, 2001