

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: September 23, 2005]²

Bill No. and sponsor: H.R. 2198 (Mr. Petri et. al.)

Proponent name, location: Oshkosh Truck Corp.
Oshkosh, WI

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

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

Retroactive effect: None.

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

Fixed ratio speed changers for truck-mounted concrete mixers (provided for in subheading 8483.40.50)

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 sources of imports:

The fixed ratio speed changers (gear box assemblies) in question receive high-speed rotational energy from a shaft attached to a hydrostatic or hydraulically actuated motor integral to a concrete mixer truck. The speed changer subsequently reduces this energy to a lower-speed rotational force to rotate the vehicle-mounted drum in which wet concrete is mixed. This rotational energy can also be increased in a fixed ratio to the velocity of the input shaft when the concrete is being dispensed or ejected from either the rear or the front of the concrete truck, depending upon its design. Imports of these speed changers are principally imported from Germany, with far smaller quantities coming from Italy.

¹ Industry analyst preparing report: John Cutchin (202-205-3396); 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: 8483.40.50					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty (AVE)	2.5%	2.5%	2.5%	2.5%	2.5%
Estimated value <i>dutiable</i> imports	\$19,000,000	\$19,000,000	\$19,000,000	\$19,000,000	\$19,000,000
Customs revenue loss	\$475,000	\$475,000	\$475,000	\$475,000	\$475,000

Source of estimated dutiable import data: Industry and Commission staff 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)	
Oshkosh Truck Corp. (Proponent) (Jay Kimmitt, 703-525-8400)	08/10/2005	Yes	No	No
American Gear Manufacturers Association (Joseph Franklin, 703-838-0050)	08/09/2005	N/A	No	No
Fairfield Mfg. Co. Gary Lehman and Paul Schlueter, 765-772-4000	08/11/2005	Yes	No	No
Penn Tech Corp. (Kyle Stranahan, 215-945-6000, ext. 13)	08/15/2005	Yes	Yes	Yes

Technical comments:³

The proposed provision is drafted as an “actual use” tariff heading, requiring that Customs officials verify the intended use within 3 years of the date of entry and imposing cost and paperwork burdens on importers and on Customs. It is possible to enumerate additional physical characteristics in an effort to avoid these difficulties; it is not known whether these characteristics could describe speed changers solely used on cement trucks, to keep the scope of the provision targeted to these goods.

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. 2198

To suspend temporarily the duty on fixed ratio speed changers for truck-mounted concrete mixers.

IN THE HOUSE OF REPRESENTATIVES

MAY 5, 2005

Mr. PETRI (for himself, Mr. RYAN of Wisconsin, and Mr. GREEN of Wisconsin) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To suspend temporarily the duty on fixed ratio speed changers for truck-mounted concrete mixers.

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. FIXED RATIO SPEED CHANGERS.**

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

“	9902.84.01	Fixed ratio speed changers for truck-mounted concrete mixer drums (provided for in subheading 8483.40.50)	Free	No change	No change	On or before 12/31/2008	”.
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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.

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