

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: November 29, 2005]²

Bill No. and sponsor: H.R. 2469 (Mr. Michael K. Simpson of Idaho).

Proponent name, location: Micron Technology Inc., Boise, ID.

Other bills on product (109th Congress only): S.1601.

Nature of bill: Extension of existing temporary duty suspension through Dec. 31, 2010.³

Retroactive effect: From January 1, 2004

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

Wire containing 99.9 percent or more by weight of gold and with dopants added to control wirebonding characteristics, such wire having a cross-sectional diameter of 0.05 mm or less, for use in the manufacture of diodes, transistors and similar semiconductor devices or electronic integrated circuits (provided for in subheading 7108.13.70).

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

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

The subject product is an ultra-fine diameter, high-purity gold wire containing chemical dopants, which control the wirebonding characteristics of semiconductors. The electronics industry utilizes this product in the wirebonding process to provide electrical connections between a die (an individually cut piece of silicon wafer onto which miniature electronic circuits are etched) and the leads of a semiconductor package, for the manufacture of diodes, transistors, and similar semiconductor devices or electronic integrated circuits. Imports of these goods come from Malaysia, Singapore, and Taiwan, among other sources.

¹ Industry analyst preparing report: Karl Tsuji (202-205-3434); 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

³ The subject product was eligible for duty-free entry under heading 9902.71.08 through December 31, 2003.

Estimated effect on customs revenue:

HTS subheading: 7108.13.70					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	4.1%	4.1%	4.1%	4.1%	4.1%
Estimated value <i>dutiable</i> imports	\$1,000,000 to \$10,000,000	\$1,000,000 to \$10,000,000	\$1,000,000 to \$10,000,000	\$1,000,000 to \$10,000,000	\$1,000,000 to \$10,000,000
Customs revenue loss 1/	\$41,000 to \$410,000	\$41,000 to \$410,000	\$41,000 to \$410,000	\$41,000 to \$410,000	\$41,000 to \$410,000

1/ This product was eligible for duty-free treatment under heading 9902.71.08 through 12/31/2003. It is believed that the maximum revenue loss for 2004 would be the same figure shown for each later year.
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?
Micron Technology Inc. (Proponent) Bonnie Byers, 202-737-0500	8/24-31/2005 09/06/2005	No	Yes	No
Semiconductor Industry Association Submission from B. Anne Craib, Director, International Trade & Government Affairs Contacts: Darryl Hatano, 408-573-6606, or Ian Steff, 202-429-1413	8/24/2005 9/07-09/2005	No	Yes	No
Semiconductor Equipment and Materials International Maggie Hershey, 202-289-0440	8/24-25/2005	Yes	No	No
Kulicke & Soffa Industries Inc. Mark J. Sullivan, 215-784-6000	8/24/2005 9/07-12/2005	No	No	No
California Fine Wire Harlan Silva, 805-489-5144	8/24-25/2005 9/07/2005	Yes	No	No
Williams Advanced Materials Richard Sager, 716-446-2271	8/26-31/2005 9/06/2005	Yes	No	No

Technical comments:⁴

It is suggested that the article description of the proposed heading be modified as shown on page one. The tariff classification applicable to the subject goods was missing from the existing duty suspension provision and should be added to the article description of heading 9902.71.08: “(provided for in subheading 7108.13.70)”.

Although the type and quantity of chemical dopants allowed to be included are not specified, and although Customs must interpret the language for each shipment to decide if any particular dopant is in fact “to control wirebonding characteristics,” we do not suggest specific changes and defer to Customs to advise on the past practice and problems (if any) with respect to these matters. We also note that the provision is an “actual use” provision requiring Customs verification of the application of each shipment of imported wire, presenting cost and administrative burdens to both Customs and the importers.

⁴ 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. 2469

To extend temporarily the duty suspension on certain semi-manufactured forms of gold.

IN THE HOUSE OF REPRESENTATIVES

MAY 18, 2005

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

A BILL

To extend temporarily the duty suspension on certain semi-manufactured forms of gold.

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 SEMI-MANUFACTURED FORMS OF**
4 **GOLD.**

5 (a) IN GENERAL.—Heading 9902.71.08 of the Har-
6 monized Tariff Schedule of the United States is amended
7 by striking “12/31/2003” and inserting “12/31/2010”.

8 (b) EFFECTIVE DATE.—

9 (1) IN GENERAL.—The amendment made by
10 subsection (a) applies to goods entered, or with-

1 drawn from warehouse for consumption, on or after
2 the 15th day after the date of the enactment of this
3 Act.

4 (2) RETROACTIVE APPLICATION.—Notwith-
5 standing section 514 of the Tariff Act of 1930 or
6 any other provision of law, the entry of any article—

7 (A) that was made on or after January 1,
8 2004, and before the 15th day after the date of
9 the enactment of this Act, and

10 (B) with respect to which there would have
11 been no duty if the amendment made by
12 subsection (a) were in effect on the date of such
13 entry,

14 shall be liquidated or reliquidated as if such amend-
15 ment applied to such entry, and any amounts owed
16 shall be paid to the importer of record.

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