

# Calendar No. 2269

81ST CONGRESS }  
2d Session }

SENATE

{ REPORT  
{ No. 2268

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## AMENDING THE TARIFF ACT OF 1930 TO EXEMPT FROM DUTY SOUND RECORDINGS FOR NEWS BROADCASTS AND IN CONNEC- TION WITH MOVING-PICTURE NEWS REELS

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AUGUST 10 (legislative day JULY 20), 1950.—Ordered to be printed

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Mr. GEORGE, from the Committee on Finance, submitted the following

### REPORT

[To accompany H. R. 8726]

The Committee on Finance, to whom was referred the bill (H. R. 8726) amending the tariff act of 1930 to exempt from duty sound recordings for news broadcasts, having considered the same, report favorably thereon with amendments and recommend that the bill, as amended, do pass.

#### PURPOSE OF THE BILL

The bill, as passed by the House, would amend the Tariff Act of 1930 by providing for the free entry of sound recordings transcribed or recorded abroad for radio or television news broadcasts in the United States. Your committee extended this same exemption to sound recordings transcribed or recorded abroad which are suitable for reproducing sound in connection with moving-picture news reels in the United States.

#### GENERAL STATEMENT

The bill would facilitate the importation of sound recordings for radio or television news broadcasts or for use in reproducing sound in connection with moving-picture news reels by eliminating the difficult and time-consuming task of calculating the value, for the purpose of assessing duty, of the dutiable recordings. Some imports of sound recordings on magnetic tape are now classified according to the component material of chief value. Those admitted as a manufacture of cellulose acetate are classified under paragraph 31 of the Tariff Act and subject to duty of 20 percent ad valorem, and others are admitted as a manufacture of paper under paragraph 1413 at a rate of 17½ percent ad valorem. Other imports of recordings on wire, according to the Tariff Commission, are probably dutiable under paragraph 353 at a rate of 15 percent ad valorem, while imports of recordings on disks are dutiable under paragraph 1542 at a rate of 15 percent ad valorem.

## 2 EXEMPT FROM DUTY SOUND RECORDINGS FOR NEWS BROADCASTS

Although some imports of sound recordings already are permitted free entry under section 308 of the Tariff Act (relating to temporary free importation under bond for exports) delay, inconvenience, and expense are involved in importing recordings under that provision.

The bill would merely extend treatment to sound recordings for news broadcasts and moving-picture news reels similar to that accorded the dispatches sent back to the United States by news correspondents. Enactment of the legislation would be consistent with the national policy of free dissemination of news, would probably have no effect on the volume of imports of news recordings, and would, as herein previously indicated, simplify customs procedure.

### CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the joint resolution are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

#### PARAGRAPH 1726 OF TARIFF ACT OF 1930, AS AMENDED

PAR. 1726. Newspapers, *sound recordings transcribed or recorded abroad and imported for radio or television news broadcasts in the United States, or suitable for use in reproducing sound in connection with moving-picture news reels*, undeveloped negative moving-picture film of American manufacture exposed abroad for silent or sound news reel, and periodicals; but the term "periodicals" as herein used shall be understood to embrace only unbound or paper-covered publications issued within six months of the time of entry, devoted to current literature of the day, or containing current literature as a predominant feature, and issued regularly at stated periods, as weekly, monthly, or quarterly, and bearing the date of issue.