

FREE ENTRY OF STAINED GLASS FOR OUR LADY OF THE ANGELS SEMINARY, OF GLENMONT, N.Y.

FEBRUARY 16, 1966.—Ordered to be printed

Mr. LONG of Louisiana, from the Committee on Finance, submitted
the following

REPORT

[To accompany H.R. 5831]

The Committee on Finance, to which was referred the bill (H.R. 5831) to provide for the free entry of certain stained glass and cement windows for Our Lady of the Angels Seminary of Glenmont, N.Y., having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

PURPOSE

The purpose of H.R. 5831, as passed by the House and approved by the Committee on Finance, is to permit the refund of duties paid on certain stained glass which were imported for the use of Our Lady of the Angels Seminary, of Glenmont, N.Y.

GENERAL STATEMENT

The glass covered by the bill consisted of colored glass in panels imported for the use of Our Lady of Angels Seminary, Glenmont, N.Y. The imports were entered under Albany, N.Y., consumption entries A-046 (October 16, 1961) and A-096 (February 2, 1962). They were claimed to be duty free under the provision in paragraph 1810 of the original rate schedules of the Tariff Act of 1930 for "stained or painted window glass or stained or painted windows which are works of art, when imported to be used in houses of worship, and valued at \$15 or more per square foot." However, free entry was denied by the customs collector and the entries were liquidated with assessment of duty at the rate of 30 percent ad valorem. Protests against the duty assessment were filed and the matter is pending before the U.S. Customs Court.

The principal issue involved in the litigation is whether panels of stained glass formed from pieces of stained glass set in concrete were excluded from classification under the above-quoted provision of paragraph 1810 because the pieces were set in concrete rather than in lead or other metal comes. This very issue was resolved in favor of an importer in a 1960 decision of the U.S. Customs Court (C.D. 2171), but the Bureau of Customs did not follow that decision, with a view to retrial of the issue (Treasury Decision 55181, dated July 18, 1960). Representatives of the Treasury Department have advised your committee that if the principle of C.D. 2171 had been applied to the glass panels covered by H.R. 5831, the merchandise would have been admitted duty free under paragraph 1810.

On August 31, 1963, the new Tariff Schedules of the United States became effective pursuant to the Tariff Classification Act of 1962. Item 850.30 of the new schedules is derived from the aforementioned provision of paragraph 1810 of the old schedules, although stated in different terms in some respects. In December 1963, the Bureau of Customs ruled (T.D. 56102(58)) that stained glass windows for churches in which the pieces of glass are joined together by, or set in, lead or cement and otherwise meeting the requirements specified in item 850.30, may be classifiable free of duty under such item 850.30. Representatives of the Treasury Department have advised that glass panels such as those to which H.R. 5831 relates, entered on or after the effective date of the revised tariff schedules, would be eligible for duty-free treatment under item 850.30.

In view of the fact that, under the principle of C.D. 2171, which involved similar glass, the glass panels in question could have been accorded free entry by the customs authorities under the old tariff schedules, and since the Customs Bureau concedes that the panels would be entitled to duty-free treatment under the revised tariff schedules, your committee feels that in equity the importer of the glass in question should be absolved from duty liability, notwithstanding the pending litigation. The glass has been used for the purpose for which it was imported, and any competitive impact on similar domestic products that might have been involved has long since passed. Also, it might be noted that legislation passed in the 87th Congress (Public Law 87-572) exempted from duty similar stained glass imported under the old tariff schedules for three different houses of worship.

Your committee agrees with the Committee on Ways and Means of the House, that in the circumstances the bill merits favorable action, and the bill is accordingly favorably reported.