

## DUTY ON PARTS OF STETHOSCOPES

DECEMBER 16 (legislative day, DECEMBER 15), 1970.—Ordered to be printed

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

### REPORT

[To accompany H.R. 7311]

The Committee on Finance, to which was referred the bill (H.R. 7311) to amend item 709.10 of the Tariff Schedules of the United States to provide that the rate of duty on parts of stethoscopes shall be the same as the rate on stethoscopes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

#### EXPLANATION OF COMMITTEE AMENDMENT

The committee added a technical amendment which would delete subsection (c) of the House bill. This subsection was added by the House committee to make clear the tariff concession status on parts of stethoscopes reclassified by the bill, will be treated the same as stethoscopes for purposes of title III of the Trade Expansion Act of 1962. The committee amendment was suggested by the Department of State on the grounds that the reclassification made by the bill would, without any specific provision to this effect, subject parts of stethoscopes to the same staged duty reductions agreed to for stethoscopes in the Kennedy round.

#### PURPOSE

The purpose of H.R. 7311, as amended, is to provide that the rate of duty on parts of stethoscopes shall be the same as the rate of duty on stethoscopes. Stethoscopes are presently dutiable under tariff schedule item No. 709.10 at 15 percent ad valorem, the second stage of a five-stage duty reduction from 19 percent to 9.5 percent ad valorem pursuant to the Kennedy round of trade negotiations. Parts of stethoscopes are presently classified under item 709.27 at 28.5 percent

ad valorem, the second stage of a five-study reduction from 36 percent to 18 percent pursuant to the Kennedy round agreement.

H.R. 7311, as amended, is similar to H.R. 6909 of the 90th Congress, which was unanimously approved by the House on September 30, 1968, but was not acted on by the Senate.

#### GENERAL STATEMENT

The existing differential between the dutiable status of stethoscopes and parts of stethoscopes was created by the Technical Amendments Act of 1965 under which the rate of duty on stethoscopes of 36 percent was reduced to 19 percent ad valorem in conformity with a U.S. Customs Court decision. However, the same provision was not made for parts of stethoscopes in the act of 1965, and for this reason, parts of stethoscopes have continued to be dutiable at 36 percent ad valorem until the rate was reduced to 32 percent and to 28.5 percent ad valorem subsequently, pursuant to the Kennedy round agreement.

The bill would provide the same rates of duty on parts of stethoscopes as would be applicable to stethoscopes by adding "and parts of stethoscopes" to the item description of item 709.10 of the Tariff Schedules. As a result, parts of stethoscopes will be subject to the same staged duty reductions agreed to for stethoscopes in the Kennedy round, noted above.

In the change in classification made for stethoscopes in the Technical Amendments Act of 1965, import entires of stethoscopes made after August 30, 1963, and on or before the date of enactment of that act were permitted to be liquidated or reliquidated at the lower rate of duty upon a request therefor filed with the customs officer concerned on or before 120 days after enactment. A similar provision for parts of stethoscopes was contained in H.R. 7311 as introduced. Due to the lack of information indicating that a retroactive provision for parts of stethoscopes is warranted and due to the complexities of determining the appropriate rate of duty in a situation such as this in which two separate stagings of duty reductions are involved, your committee deleted this retroactive provision from the bill.

Your committee also amended the bill to provide that the dutiable status of parts of stethoscopes, that is, identical to that of stethoscopes, shall be considered as having been proclaimed by the President pursuant to his trade agreement authority. The purpose of this amendment is to make clear the tariff concession status of parts of stethoscopes in relation to the various provisions of trade agreement law, including the trade adjustment provisions of title III of the Trade Expansion Act of 1962.

Favorable comments on this legislation have been received from the Departments of State, the Treasury, Labor, and Commerce.

#### CHANGES IN EXISTING LAW MADE BY THE BILL AS REPORTED

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

## TARIFF SCHEDULES OF THE UNITED STATES

## SCHEDULE 7.—SPECIFIED PRODUCTS; MISCELLANEOUS AND NONENUMERATED PRODUCTS

Item	Articles	Rates of Duty	
		1	2
	PART 2.—OPTICAL GOODS; SCIENTIFIC AND PROFESSIONAL INSTRUMENTS; WATCHES, CLOCKS, AND TIMING DEVICES; PHOTOGRAPHIC GOODS; MOTION PICTURES; RECORDINGS AND RECORDING MEDIA		
*	Subpart B.—Medical and Surgical Instruments and Apparatus; X-Ray Apparatus	*	*
*	Medical, dental, surgical and veterinary instruments and apparatus (including electro-medical apparatus and ophthalmic instruments), and parts thereof		
	Optical instruments and appliances, and parts thereof		
709.01	Mirrors and reflectors.....	36% ad val.	45% ad val.
709.03	Binocular loupes for eye examinations.....	20% ad val.	45% ad val.
709.05	Other.....	40% ad val.	60% ad val.
	Other		
709.06	Anesthetic apparatus and instruments (except syringes), and parts thereof.....	15% ad val.	45% ad val.
709.07	Basal metabolism apparatus, and parts thereof.....	17.5% ad val.	40% ad val.
709.09	Bougies, catheters, drains, and sondes, and parts thereof.....	10% ad val.	30% ad val.
709.10	Percussion hammers [and], stethoscopes, and parts of stethoscopes.....	13% ad val.	45% ad val.

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