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SENATE

{ REPORT
{ No. 91-1465

TEMPORARY SUSPENSION OF DUTY ON CERTAIN MANGANESE ORES

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. 6049]

The Committee on Finance, to which was referred the bill (H.R. 6049) to amend the definition of "metal bearing ores" in the Tariff Schedules of the United States, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

PURPOSE

The purpose of H.R. 6049 as reported by your committee is to amend the definition of the term "metal-bearing ores" in the Tariff Schedules of the United States in order that imports of manganese ores which have been roasted and sintered will be classified as manganese ore under item 601.27 of the tariff schedules.

GENERAL STATEMENT

Under headnote 2 of schedule 6 of the Tariff Schedules of the United States, only managanese ore which is crude or which has been concentrated by crushing, flotation, washing, or by other physical or mechanical separation not involving chemical change is considered to be a metal bearing ore. Such manganese ores and concentrates are dutiable under item 601.27 of the Tariff Schedules and are temporarily free of duty.

The committee has been informed by the Treasury Department that imports of manganese ore which has been concentrated by roasting or sintering (generally involving chemical change) are considered to be dutiable as "other metal bearing *materials*" under item 603.70 of the tariff schedules at the rate of duty of 10 percent ad valorem.

Ores of iron, lead, copper, and zinc which have been concentrated by roasting or sintering are defined and are dutiable as "metal bearing ores." Thus, the bill would provide for the same type of tariff treatment for manganese ores which have been concentrated by roasting or sintering as now is provided for such imported ores of iron, lead, copper, and zinc.

Enactment of H. R. 6049 would make clear that imports of roasted or sintered manganese ores should no longer be classified under tariff item 603.70 at 10 percent ad valorem, but under tariff item 601.27. The rate of duty provided for under item 601.27 is 0.17 cents per pound of manganese content which is scheduled to be reduced further to 0.12 cents per pound on January 1, 1972, as a result of the Kennedy round. As indicated above, however, the duty on imports of manganese ore under tariff item 601.27 is temporarily suspended.

There is little domestic production of manganese ore and imports account for over 95 percent of total new supply in this country. At this time, imports of roasted or sintered manganese ore are believed to be very small. It is understood that deposits of manganese carbonate ore which requires roasting or sintering are being developed in Mexico. These deposits provide the primary basis for the current concern with the dutiable status of roasted or sintered manganese ore.

The committee received favorable reports from the Departments of Interior, Commerce, Labor, Treasury, and State. An informative report was received from the U.S. Tariff Commission. No objection to the bill was brought to the attention of the committee.

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 6.—METALS AND METAL PRODUCTS

Item	Articles	Rates of Duty	
		1	2
	<p>PART 1.—METAL-BEARING ORES AND OTHER METAL-BEARING MATERIALS</p> <p><i>Part 1 headnotes:</i></p> <p>2. For the purposes of this part— (a) the term "metal-bearing ores" embraces only metalliferous minerals, whether crude or concentrated (by crushing, flotation, washing, or by other physical or mechanical separation processes which do not involve substantial chemical change), and roasted or sintered iron, lead, copper, manganese, and zinc concentrates, from which precious metals or base metals, as defined in headnote 2 of this schedule, are commercially obtained, including metals obtained directly in unalloyed form, in the form of alloys, or in the form of chemical compounds;</p>		