

CONTINUED SUSPENSION OF DUTY ON CERTAIN TANNING EXTRACTS

AUGUST 30, 1966.—Ordered to be printed

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

REPORT

[To accompany H.R. 12328]

The Committee on Finance, to which was referred the bill (H.R. 12328) to extend for 3 years the period during which certain extracts suitable for tanning may be imported free of duty, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

PURPOSE

The purpose of H.R. 12328, as reported by your committee, is to extend for 3 years, until the close of September 30, 1969, the period during which certain extracts suitable for tanning may be imported free of duty.

GENERAL STATEMENT

Public Law 85-235 temporarily transferred from paragraph 38 of the dutiable list of the Tariff Act of 1930 to the free list of that act certain tanning extracts. Section 4 of Public Law 85-645 made special provision for eucalyptus extract in paragraph 1670(b), and Public Law 86-288 made special provision for hemlock extract in this free-list provision. The free treatment in each of the three public laws had a terminal date of September 28, 1960. Public Law 86-427, however, extended the terminal date to the close of September 30, 1963. It was further extended to the close of September 30, 1966, by Public Law 88-92. The present duty-free treatment is provided for under item 907.80 of the Tariff Schedules of the United States. Your committee's bill, H.R. 12328, would extend the suspension for another 3 years, to the close of September 30, 1969.

Among the considerations which led to the original suspensions of duties on these extracts were the following: The domestic tanning extract industry has been dependent upon domestic chestnut wood and bark for the domestic production of chestnut tanning extract, the only vegetable tanning material which has been produced in the United States in significant quantity. Because of the blight which virtually wiped out the chestnut trees along the Appalachian Range, domestic firms producing tanning extracts have been unable to secure raw materials. The domestic availability of tanning extracts has steadily declined and the firms which had been engaged in extract production have largely gone into other fields of activity. Public Law 85-235 provided for the suspension of duties with respect to tanning extracts chiefly used in the United States for tanning purposes at the time of importation. Section 4 of Public Law 85-645 provided that eucalyptus extract should be classified under paragraph 1670(b) irrespective of its chief use, so long as it was suitable for use for tanning. Public Law 86-288 provided that hemlock extract be included subject to the same rule as that applicable to eucalyptus extract because it was believed that hemlock also might be found to be no longer chiefly used for tanning, although it was suitable for use for tanning.

In its report to your committee of May 13, 1966, the U.S. Tariff Commission has advised your committee as follows:

The Commission has no information that would indicate that the considerations which led the Congress to suspend the duties on the tanning extracts are not also pertinent at present. The Commission is unaware of any complaints against the temporary duty-free treatment of these tanning extracts.

In addition to the report from the Tariff Commission, your committee has received favorable reports from the Departments of State, Treasury, Commerce, and the Bureau of the Budget on H.R. 12328.

In view of the above, your committee, like the Ways and Means Committee of the House, believes the additional 3-year suspension of duty that would be provided under H.R. 12328 is warranted.

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 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 ACT OF 1930

APPENDIX TO THE TARIFF SCHEDULES

Item	Articles	Rates of duty		Effective period
		1	2	
	PART 1.—TEMPORARY LEGISLATION			
•	•	•	•	•
	SUBPART B.—TEMPORARY PROVISIONS AMENDING THE TARIFF SCHEDULES			
•	•	•	•	•
907.80	Canalgre, chestnut, curupay, divi-divi, eucalyptus, hemlock, larch, tara, mangrove, myrobalan, oak, quebracho, sumac, urunday, wattle, and valonia, all the foregoing provided for in Items 470.23, 470.25, 470.55, 470.57, and 470.65, part 9A, schedule 4.....	Free	Free	On or before [9/30/66] 9/30/69
•	•	•	•	•

