

DUTY ON PAINT ROLLER HANDLES

August 4, 1958.—Ordered to be printed

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

REPORT

[To accompany H. R. 7004]

The Committee on Finance, to whom was referred the bill (H. R. 7004) to amend the Tariff Act of 1930 with respect to the dutiable status of handles, wholly or in chief value of wood, imported to be used in the manufacture of paint rollers, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE

The purpose of H. R. 7004 is to make handles wholly or in chief value of wood, imported to be used in the manufacture of paint rollers, dutiable at the rate, however established, applicable to paintbrush handles of wood.

GENERAL STATEMENT

Paint rollers are used for spreading paint on flat surfaces. They accomplish the same purpose as paintbrushes, the difference being that with a roller the paint is spread by a rolling action whereas with a brush it is brushed on. The roller is composed of a cylinder or roller covered with a napped material which can hold, and spread paint, a metal wire or rod which serves as an axle on which the roller revolves and also which is appropriately bent to serve as a handle, and a wooden handgrip which is fastened to the end of the metal rod.

The wooden handgrip is the "handle" which is the subject of the bill. Such wooden handles or grips are usually made of hardwood, turned or shaped to contour to fit the hand, and are from about 4½ to 5½ inches long and about 1 inch in diameter at the thickest part. They are bored about half the length so that the metal rod can be driven in. Some of them are finished naturally and some are enameled.

H. R. 7004 would establish an identical rate of duty for paintbrush handles and paint-roller handles on a permanent basis. At the

present time, paintbrush handles of wood, which were specifically enumerated in paragraph 412 of the Tariff Act of 1930, are dutiable at a rate of 9 percent ad valorem. The duty originally established for such handles was 33½ percent ad valorem. Pursuant to trade agreements, the rate is now 8½ percent ad valorem. Paint-roller handles are presently classified for duty purposes, under the catchall provision in paragraph 412 of the Tariff Act for manufacturers wholly or in chief value of wood, and the rate of duty presently applicable is 16½ percent ad valorem. The original statutory rate was 33½ percent ad valorem. Under the bill, wooden handles imported to be used in the manufacture of paint rollers would become dutiable at whatever rates, however established, are then or thereafter applicable to paintbrush handles of wood.

Also, under the bill, where the rate of duty on an article differs because of source, for example, products of Communist-controlled countries as compared with products of non-Communist countries, the duty to be applied to paint-roller handles covered by the bill would be the same as the duty applied on the paintbrush handles from that source. In other words, if a paint-roller handle is the product of a country or area not entitled to the benefit of trade-agreement rates it would be subject to the full statutory rate applicable to paintbrush handles.

The reports received from the Departments of Commerce, Treasury, Bureau of the Budget, and the analysis from the United States Tariff Commission follow:

THE SECRETARY OF COMMERCE,
Washington, D. C., April 18, 1958.

HON. HARRY F. BYRD,
*Chairman, Committee on Finance,
United States Senate, Washington, D. C.*

DEAR MR. CHAIRMAN: This letter is in reply to your request dated March 24, 1958, for the views of this Department with respect to H. R. 7004, a bill to amend the Tariff Act of 1930 with respect to the dutiable status of handles, wholly or in chief value of wood, imported to be used in the manufacture of paint rollers.

This proposal appears to be prompted by the fact that wood handles to be used in the manufacture of paint rollers, an article of recent development, are assessed under the residual item of nonspecified manufactures of wood, now dutiable at 16½ percent, while the duty on paintbrush handles, specifically provided for under the same tariff paragraph, was made subject in the 1956 trade agreement negotiations, through a three-stage reduction, to 9½, 9, and ultimately 8½ percent. We know of no commercial reason for the present disparity of tariff treatment of these two materials used for the same purpose, and we have no information that would indicate that putting both on the same duty level would be detrimental to domestic wood manufacturers.

In its comment on this bill to the House Ways and Means Committee, the Department suggested that the proposed duty reduction might be reserved for possible future reciprocal trade negotiations with other countries. In view of the favorable action of the House of Representatives on the bill and since this item is probably only of marginal value for future trade negotiations, the Department of

Commerce would interpose no objection to the enactment of H. R. 7004.

We have been advised by the Bureau of the Budget that it would interpose no objection to the submission of this report to your committee.

Sincerely yours,

SINCLAIR WEEKS,
Secretary of Commerce.

OFFICE OF THE SECRETARY OF THE TREASURY,
Washington, D. C., April 4, 1958.

Hon. HARRY F. BYRD,
*Chairman, Committee on Finance,
United States Senate, Washington, D. C.*

MY DEAR MR. CHAIRMAN: Reference is made to your letter of March 24, 1958, requesting a statement of this Department's views on H. R. 7004, to amend the Tariff Act of 1930 with respect to the dutiable status of handles, wholly or in chief value of wood, imported to be used in the manufacture of paint rollers.

The proposed legislation would make handles wholly or in chief value of wood when used in the manufacture of paint rollers, dutiable at the rate, however established, applicable to imported paintbrush handles wholly or in chief value of wood.

The Department anticipates no unusual administrative difficulties under the proposed legislation.

This Department has been advised by the Bureau of the Budget that there would be no objection to the submission of a similar report on this bill to the Committee on Ways and Means.

Very truly yours,

A. GILBERT FLUES,
Acting Secretary of the Treasury.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., April 25, 1958.

Hon. HARRY F. BYRD,
*Chairman, Committee on Finance,
United States Senate, 310 Senate Office Building,
Washington, D. C.*

MY DEAR MR. CHAIRMAN: This is in reply to your letter of March 24, 1958, requesting a report on H. R. 7004, to amend the Tariff Act of 1930 with respect to the dutiable status of handles, wholly or in chief value of wood, imported to be used in the manufacture of paint rollers.

We understand that the purpose of this bill is to make handles wholly or in chief value of wood, imported to be used in the manufacture of paint rollers, dutiable at the rate, however established, applicable to paintbrush handles of wood.

The Bureau of the Budget would have no objection to the enactment of legislation to accomplish the purpose of this bill.

Sincerely yours,

PHILLIP S. HUGHES,
Acting Assistant Director for Legislative Reference.

UNITED STATES TARIFF COMMISSION,
Washington, March 28, 1958.

MEMORANDUM ON H. R. 7004, 85TH CONGRESS, A BILL "TO AMEND THE TARIFF ACT OF 1930 WITH RESPECT TO THE DUTIABLE STATUS OF HANDLES, WHOLLY OR IN CHIEF VALUE OF WOOD, IMPORTED TO BE USED IN THE MANUFACTURE OF PAINT ROLLERS"

H. R. 7004, if enacted, would make handles wholly or in chief value of wood, imported to be used in the manufacture of paint rollers, dutiable at the rate applicable to paintbrush handles of wood. Paintbrush handles of wood are specifically enumerated in paragraph 412 of the Tariff Act of 1930. The duty originally established for such handles was 33½ percent ad valorem. By the process of successive reductions, pursuant to trade agreements negotiated under section 350 of the Tariff Act of 1930, the rate is now 9½ percent ad valorem; it will become 9 percent ad valorem on June 30, 1957; and on June 30, 1958, the rate will become 8½ percent ad valorem.

Paint-roller handles are presently classified for duty purposes under the "catchall" provision in paragraph 412 of the Tariff Act for manufactures wholly or in chief value of wood. The rate originally applicable was 33½ percent ad valorem; pursuant to trade agreements the rate has been reduced to 16½ percent ad valorem. If H. R. 7004 is enacted, wooden handles imported to be used in the manufacture of paint rollers would become dutiable at whatever rates may then or thereafter be applicable to paintbrush handles of wood.

Paint rollers are used for spreading paint on flat surfaces. They accomplish the same purpose as paintbrushes, the difference being that with a roller the paint is spread by a rolling action whereas with a brush it is brushed on. The roller is composed of a cylinder or roller covered with a napped material which can hold and spread paint, a metal wire or rod which serves as an axle on which the roller revolves and also which is appropriately bent to serve as a handle, and a wooden handgrip which is fastened to the end of the metal rod.

The wooden handgrip is the "handle" which is the subject of the bill. Such wooden handles or grips are usually made of hardwood, turned or shaped to contour to fit the hand, and are from about 4¼ to 5½ inches long and about 1 inch in diameter at the thickest part. They are bored about half the length so that the metal rod can be driven in. Some of them are finished naturally and some are enameled.

No statistics on domestic production and imports are available to the Commission. Imports are not separately reported but are combined with many other articles in the "basket" statistical classification for manufactures of wood or bark not elsewhere classified. Canada is probably the principal source of imports.

Paint-roller handles are probably indistinguishable from handles which are used on articles other than paint rollers, such as ice cream freezers. Presumably for this reason the

bill is drafted so as to limit the reduction in duty to handles
 "imported to be used in the manufacture of paint rollers."

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 (new matter is printed in italics, existing law in which no change is proposed is shown in roman):

PARAGRAPH 412 OF SECTION 1 OF THE TARIFF ACT OF 1930
 (19 U. S. C., SEC. 1001, PAR. 412)

TITLE I—DUTIABLE LIST

Section 1. That on and after the day following the passage of this Act, except as otherwise specially provided for in this Act, there shall be levied, collected, and paid upon all articles when imported from any foreign country into the United States or into any of its possessions (except the Virgin Islands, American Samoa, Wake Island, Midway Islands, Kingman Reef, Johnston Island, and the island of Guam) the rates of duty which are prescribed by the schedules and paragraphs of the dutiable list of this title, namely:

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SCHEDULE 4.—WOOD AND MANUFACTURES OF

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PAR. 412. Spring clothespins, 20 cents per gross; furniture, wholly or partly finished, and parts thereof, and folding rules, all the foregoing, wholly or in chief value of wood, and not specially provided for, 40 per centum ad valorem; wood moldings and carvings to be used in architectural and furniture decoration, 40 per centum ad valorem; bent-wood furniture, wholly or partly finished, and parts thereof, 47½ per centum ad valorem; paintbrush handles wholly or in chief value of wood, 33½ per centum ad valorem; wood flour, and manufactures of wood or bark, or of which wood or bark is the component material of chief value, not specially provided for, 33½ per centum ad valorem. *Handles, wholly or in chief value of wood, imported to be used in the manufacture of paint rollers, shall be dutiable at the rate however established applicable to paintbrush handles, wholly or in chief value of wood, on the date handles imported for such use are entered, or withdrawn from warehouse, for consumption.*

