

EXEMPTION FROM DUTY FOR RETURNING RESIDENTS

JUNE 30, 1965.—Ordered to be printed

Mr. MILLS, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H.R. 8147]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8147) to amend the Tariff Schedules of the United States with respect to the exemption from duty for returning residents, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1 and 4 and agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

Restore the matter proposed to be stricken out by the Senate amendment and on page 2, lines 19 and 20, of the House engrossed bill strike out "possessions, if the remainder is brought or shipped from such"; and the Senate agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows:

On page 1, line 6, of the Senate engrossed amendments strike out "(a)" after "Sec. 3."; and the Senate agree to the same.

WILBUR D. MILLS,
CECIL R. KING,
HALE BOGGS,
JOHN W. BYRNES,
THOMAS B. CURTIS,

Managers on the Part of the House.

HARRY F. BYRD,
RUSSELL B. LONG,
GEORGE A. SMATHERS,
FRANK CARLSON,
THRUSTON B. MORTON,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8147) to amend the Tariff Schedules of the United States with respect to the exemption from duty for returning residents, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: Under the bill as passed by the House, the exemption from duty for a returning resident applies to articles acquired abroad as an incident of the journey from which he is returning whether such articles accompany him on his return to the United States or are shipped to him. Senate amendment No. 1 would limit the exemption to articles accompanying the individual on his return to the United States. The House recedes.

Amendment No. 2: Under the bill as passed by the House, alcoholic beverages may be entered free of duty under the exemption for returning residents only if the individual has attained the age of 21. The quantity which may be exempt from duty is limited to 1 quart, except that if the individual arrives directly or indirectly from American Samoa, Guam, or the Virgin Islands of the United States the quantity is 1 wine gallon (but not more than 1 quart may have been acquired elsewhere than in such insular possessions and the remainder must be brought or shipped from such possessions). Under Senate amendment No. 2, the quantity admitted free of duty would be limited to 1 quart in all cases (and would apply only in the case of individuals who have attained the age of 21).

Under the conference agreement the provisions of the bill as passed by the House are restored with a technical amendment conforming to the action of the conferees on Senate amendment No. 1. Thus, the quantity of alcoholic beverages which may be exempt from duty, in the case of an individual who has attained age 21 and is arriving directly or indirectly from American Samoa, Guam, or the Virgin Islands, is 1 wine gallon (not more than 1 quart of which may have been acquired elsewhere than in such insular possessions), but (conforming with Senate amendment No. 1) such alcoholic beverages must accompany the returning resident.

Amendment No. 3: Under temporary legislation (item 915.30 of the Tariff Schedules of the United States), a U.S. resident who returns to the United States before July 1, 1965, may claim (not more often than once in 30 days) an exemption from duty for \$100 worth (wholesale value) of articles acquired abroad. Unless he returns from the Virgin Islands of the United States or through a port of entry on the Mexican border, he must have remained outside the customs territory of the United States for at least 48 hours. Senate amendment No. 3 adds a new section to the bill to strike out the

July 1, 1965, date and insert October 1, 1965. The House recedes with a clerical amendment.

Amendment No. 4: The first section of the bill as passed by both the House and the Senate amends the permanent provisions of the Tariff Schedules to provide an exemption from duty for \$100 worth (fair retail value) of articles acquired abroad; except that in the case of persons arriving directly or indirectly from American Samoa, Guam, or the Virgin Islands of the United States, the exemption is \$200 (fair retail value) not more than \$100 of which may have been acquired elsewhere than in such insular possessions. Under the bill as passed by the House the amendments apply with respect to persons arriving in the United States on or after July 1, 1965. Under Senate amendment No. 4, the amendments apply with respect to persons arriving in the United States on or after October 1, 1965.

Section 2 of the bill as passed by both the House and the Senate changes the basis for valuation from wholesale value to fair retail value in the case of the \$10 maximum exemption for gifts received from abroad, the \$10 maximum exemption for persons arriving from abroad who are not entitled to a personal exemption, and the \$1 exemption for other importations. Under the bill as passed by the House the amendments made by section 2 applied with respect to articles arriving in the United States on or after July 1, 1965. Under Senate amendment No. 4 the amendments apply with respect to articles arriving in the United States on or after October 1, 1965.

Under Senate amendment No. 4, the amendment made by the new section added to the bill by Senate amendment No. 3 applies with respect to persons arriving in the United States after the date of the enactment of the bill. The House recedes.

WILBUR D. MILLS,
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HALE BOGGS,
JOHN W. BYRNES,
THOMAS B. CURTIS,

Managers on the Part of the House.

