

EXTENSION OF EXISTING DUTY ON CERTAIN DYEING
AND TANNING MATERIALS

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JULY 30 (legislative day, JULY 29), 1975.—Ordered to be printed
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Mr. LONG, from the Committee on Finance,
submitted the following

REPORT

[To accompany H.R. 7715]

The Committee on Finance to which was referred the bill (H.R. 7715) to extend until the close of June 30, 1978, the period during which certain dyeing and tanning materials may be imported free of duty, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

DESCRIPTION OF PROVISIONS

Subsection (a) of the bill amends the termination date for item 907.80 in the Appendix to the Tariff Schedules of the United States (TSUS) from September 30, 1975 to June 30, 1978 to extend the existing suspension of duties on certain dyeing and tanning materials.

Subsection (b) of the bill applies the amendment to articles entered, or withdrawn from the warehouse, for consumption after September 30, 1975.

GENERAL STATEMENT

The existing suspension of duties on dyeing and tanning extracts has been extended with various changes and additions since it was originally enacted in 1957. The last extension was enacted on August 16, 1973 by Public Law 93-101 for a 3-year period from September 30, 1972 to September 30, 1975.

Both the column 1 rates of duty (applicable to imports from countries accorded nondiscriminatory (MFN) tariff treatment) and the column 2 rates (applicable to imports from countries not accorded MFN treatment) are suspended. The dyeing and tanning materials

covered by the duty suspensions consist of canaigre, chestnut, curupay, divi-divi, eucalyptus, hemlock, larch, tara, mangrove, myrobalan, oak, quebracho, sumac, urunday, wattle, and valonia, provided for under items 470.23, 470.25, 470.57, and 470.65 of the TSUS. Logwood extracts under TSUS item 470.15 were added to the coverage in the last extension of the duty suspensions. The column 1 rates range from duty-free to 6 percent ad valorem; the column 2 rates of duty are 15 percent ad valorem on all items.

There has been little or no domestic production of most vegetable tanning and dyeing extracts for many years. The only vegetable tanning material which has been produced in the United States in significant quantity is chestnut tanning extract. Domestic availability has steadily declined, however, with the continued decline in the availability of chestnut trees. Consequently, the United States depends on imports for virtually all its requirements of vegetable tanning extracts.

Imports totalled about 57 million pounds valued at about \$7 million in 1974. Of the principal items, imports in 1974 of chestnut, divi-divi, and hemlock were about 18.5 million pounds valued at \$2 million, mainly from France, Italy, and Canada; imports of quebracho were 23.7 million pounds valued at \$3 million, mainly from Argentina; and imports of wattle were 13.1 million pounds valued at \$1.5 million, mainly from South Africa. The vegetable tanning and dyeing extracts are used mainly by the leather industry to convert raw hides and skins into leather and by the oil well drilling industry as a thinner for fluids used in rotary drilling operations. No unfavorable comment was received by the committee from the general public on this bill. No executive agencies objected to this bill.

COSTS OF CARRYING OUT THE BILL AND EFFECT ON THE REVENUES OF THE BILL

In compliance with section 252(a) of the Legislative Reorganization Act of 1970, the following statement is made relative to the costs to be incurred in carrying out this bill and the effect on the revenues of the bill. The Committee estimates that the extension of the existing suspension of duties on certain dyeing and tanning materials provided by the bill would not result in any additional loss in revenues or administrative costs.

VOTE OF COMMITTEE IN REPORTING THE BILL

In compliance with section 133 of the Legislative Reorganization Act, as amended, the following statement is made relative to the vote of the committee on reporting the bill. This bill was ordered favorably reported by the committee without a roll call vote and without objection.

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 re-

ported, 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

APPENDIX TO THE TARIFF SCHEDULES

Part 1.—Temporary Legislation

Item	Articles	Rates of duty		Effective period
		1	2	
	Subpart B.—Temporary Provisions Amending the Tariff Schedules.			
907.80	Logwood, canaigre, chestnut, curupay, divi-divi, eucalyptus, hemlock, larch, tara, mangrove, myrobalan, oak, quebracho, sumac, urunday, wattle, and valonia, all the foregoing provided for in items 470.15, 470.23, 470.25, 470.55, 470.57, and 470.65, part 9A, schedule 4.	Free	Free	On or before [9/30/75.] 6/30/78.

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