

SUSPENSION OF DUTIES ON CERTAIN ELBOW PROSTHESES IF  
IMPORTED FOR CHARITABLE THERAPEUTIC USE, OR FOR FREE  
DISTRIBUTION, BY CERTAIN PUBLIC OR PRIVATE NONPROFIT  
INSTITUTIONS

AUGUST 26, 1976.—Ordered to be printed

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

## REPORT

[To accompany H.R. 11321]

The Committee on Finance to which was referred the bill (H.R. 11321) to suspend until July 1, 1978, the duty on certain elbow prostheses if imported for charitable therapeutic use, or for free distribution, by certain public or private nonprofit institutions, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

### I. GENERAL STATEMENT

Imports of externally powered, electric elbow prosthetic devices (provided for in TSUS item 709.57) are currently dutiable at 10 percent *ad volorem* (column 1 rate of duty) and 40 percent *ad volorem* (column 2 rate of duty).

The proposed legislation would suspend the duty on this article with respect to the column 1 rate of duty only until June 30, 1978. Because the proposed legislation is limited to juvenile devices, and parts thereof, imported solely for charitable, therapeutic use, it does not overlap with the scope of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Public Law 89-651, 80 Stat. 897).

There is no domestic manufacturer currently producing prosthetic devices for juvenile applications. The short-run impact of the temporary duty-free entry of the devices, therefore, would appear to be the reduction of the cost of complete limbs for the nonprofit institutions which are distributing the devices free of charge or using them for charitable therapeutic purposes.

The Department of Commerce submitted a report with no objections.

Public hearings were held by the Committee on Finance on August 24, 1976, on tax and tariff bills. No objection to this legislation was received by the Committee from any source.

Your committee believes H.R. 11321 to be meritorious and unanimously urges its approval.

## II. DESCRIPTION OF THE BILL

Section 1 of H.R. 11321 as reported amends subparts B of part 1 of the Appendix to the TSUS (19 U.S.C. 1202) by providing a suspension of the column 1 rate of duty, beginning on the date of enactment and ending on June 30, 1978, on imports of externally-powered, electric elbow prosthetic devices for juvenile amputees and parts thereof if imported solely for charitable, therapeutic use, or for free distribution by any public or private nonprofit institution established for educational, scientific, or therapeutic purposes. The Committee states that it intends to term "juvenile" to mean individuals who are less than 18 years of age.

Section 2 applies the duty suspension to articles entered or withdrawn from warehouse on or after the date of enactment.

## III. COST OF CARRYING OUT THE BILL

In compliance with section 252(a) of the Legislative Reorganization Act of 1970, the following statement is made relative to the effect on the revenues of this bill. The enactment of H.R. 11321 would result in a loss of customs revenues of no more than \$75,000 during the first full year of the duty suspension.

## IV. VOTE OF COMMITTEE IN REPORTING THE BILL

In compliance with section 133 of the Legislative Reorganization Act of 1946, the following statement is made relative to the vote of the Committee on reporting this bill. This bill was ordered favorably reported by the Committee by voice vote.

## V. CHANGES IN EXISTING LAW MADE BY THE LAW

In compliance with paragraph 4 of Rule XXIX of the 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

## APPENDIX TO THE TARIFF SCHEDULES

Item	Articles	Rates of duty		Effective period
		1	2	
<b>PART 1.—TEMPORARY LEGISLATION</b>				
Subpart B.—Temporary Provisions Amending the Tariff Schedules				
912.05	Generator lighting sets for bicycles (provided for in item 653.30, part 3F, schedule 6) .....	Free .....	No change ..	On or before 12/31/76.
918.07	<i>Externally-powered electric elbow prosthetic devices for juvenile amputees (provided for in item 708.57, part 2E, schedule 7), and parts thereof, if imported solely for charitable therapeutic use, or distribution free of charge, by any public or private nonprofit institution established for educational, scientific, or therapeutic purposes</i> .....	<i>Free</i> .....	<i>No change</i> ..	<i>On or before 8/30/78.</i>