

TEMPORARY FREE IMPORTATION OF EXTRACTS, DECOCTIONS, AND PREPARATIONS OF HEMLOCK SUITABLE FOR USE FOR TANNING

August 25, 1959.—Ordered to be printed

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

REPORT

[To accompany H.R. 6579]

The Committee on Finance, to whom was referred the bill (H.R. 6579) to amend the Tariff Act of 1930 to provide for the temporary free importation of extracts, decoctions, and preparations of hemlock suitable for use for tanning, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE

The purpose of H.R. 6579, as amended, is to amend the Tariff Act of 1930 to provide for the temporary free importation of extracts, decoctions, and preparations of hemlock suitable for use for tanning, regardless of their chief use, until the close of September 28, 1960.

GENERAL STATEMENT

Under Public Law 85-235, approved August 30, 1957, tanning extracts were transferred from paragraph 38 of the dutiable list to the free list where they were included in a new subparagraph (b) of paragraph 1670. Public Law 85-645, approved August 14, 1958, transferred "extracts, decoctions, and preparations of eucalyptus (irrespective of their chief use) suitable for use for tanning" from paragraph 1558 of the dutiable list to the free list where they were included in the new subparagraph (b) of paragraph 1670. These transfers to the free list became effective September 29, 1957, and August 14, 1958, respectively, and will both terminate at the close of September 28, 1960.

The tariff terminology relating to tanning extracts has been interpreted by the Bureau of Customs as requiring classification under

2 TEMPORARY FREE IMPORTATION OF EXTRACTS FOR TANNING

paragraph 1670(b) only of those extracts which, at the time of importation, belong to a class of articles chiefly used in the United States for tanning purposes. The actual use of a particular importation is not controlling. Thus, while a particular extract may be classified as a tanning extract at one time because of its chief use as such, it would not be classifiable as a tanning extract at another time if its chief use has changed in the meantime. Such a situation arose in the case of eucalyptus extract and led to the enactment of Public Law 85-645 transferring eucalyptus extract to the free list irrespective of its chief use. A situation paralleling that of eucalyptus extract has developed with respect to hemlock extract. H.R. 6579 would transfer hemlock extract to the free list where it would be included in paragraph 1670(b) irrespective of its chief use and subject only to the requirement that it be suitable for use in tanning. The transfer would terminate at the close of September 28, 1960, as in the case of the transfers made by Public Laws 85-235 and 85-645.

Favorable reports on this legislation were made by the Departments of State, Treasury, Commerce, and Labor and an informative report by the U.S. Tariff Commission. The Tariff Commission advised that the United States depends upon imports for the great bulk of the tanning materials and extracts consumed in this country and that "these imports supplement rather than compete with the small domestic supply." The Department of Labor stated that "this Department has no information which would lead us to anticipate an adverse effect on domestic employment from enactment of this bill."

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 are shown as follows (existing law proposed to be omitted is enclosed in black brackets; new matter is printed in italics; existing law in which no change is proposed is shown in roman):

PARAGRAPH 1670 OF THE TARIFF ACT OF 1930, AS AMENDED

TITLE II—FREE LIST

Section 201. That on and after the day following the passage of this Act, except as otherwise specially provided for in this Act, the articles mentioned in the following paragraphs, when imported 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), shall be exempt from duty.

* * * * *

PAR. 1670. (a) Dyeing or tanning materials: Fustic wood, hemlock bark, logwood, mangrove bark, oak bark, quebracho wood, wattle bark, divi-divi, myrobalans fruit, sumac, valonia, nutgalls or gall nuts, and all articles of vegetable origin used for dyeing, coloring, staining, or tanning, all the foregoing, whether crude or advanced in value or condition by shredding, grinding, chipping, crushing, or any

similar process; all the foregoing not containing alcohol and not specially provided for.

(b) Extracts, tanning: Chestnut, cutch, divi-divi, **[hemlock,]** mangrove, myrobalan, oak, quebracho, sumac, valonia, wattle, and other extracts, decoctions, and preparations of vegetable origin used for tanning, and combinations and mixtures of the foregoing; and extracts, decoctions, and preparations of eucalyptus or *hemlock* (irrespective of their chief use) suitable for use for tanning; all the foregoing not containing alcohol and not specially provided for.

