



The Miscellaneous Tariff Bill: New and Improved

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What is the Miscellaneous Tariff Bill (MTB)?

First passed in 1982. A temporary and limited tariff reduction on qualifying imported products.

Benefits U.S. manufacturers by lowering the cost of imported components and materials used in domestic manufacturing.

Does not harm domestic firms.

Reduces the cost of finished goods for consumers.

Tariff relief was available to any entity that imported goods under the specified tariff heading.

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Examples of the Miscellaneous Tariff Bill

Last MTB covered over 1,000 different products from chemicals to machinery. Identified in the tariff (HTSUS) under Heading 9902. A few examples:

9902.01.23:

- **Saccharose** to be used other than in food for human consumption and not for nutritional purposes (provided for in subheading 1701.99.50)

9902.84.81:

- **Shearing machines used to cut metallic tissue**, numerically controlled, the foregoing certified for use in production of radial tires designed for off-the-highway use with a rim measuring 63.5 cm or more in diameter...

9902.85.21:

- **Liquid Crystal Display (LCD) panel assemblies for use in LCD direct view televisions** (provided for in subheading 9013.80.90)

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The New Miscellaneous Tariff Bill

When each MTB expired (normally after 2 years) Congress renewed the legislation without too much difficulty.

Individual items - what was in the MTB and what was out of the MTB - changed, but the viability of the MTB was not in doubt. **Until:**

- The last MTB duty concessions expired December 31, 2012.
- Due to concerns about “earmarks” Congress refused to renew the MTB legislation. So the MTB remained expired. **Until:**

The new MTB -The American Manufacturing Competitiveness Act of 2016 - signed into law on May 20, 2016.

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The New Miscellaneous Tariff Bill

Just like the old MTB, under the new MTB:

- The goods must be **non-controversial** (no domestic availability or insufficient domestic availability and no domestic opposition); and
- The anticipated tariff relief must result in an annual revenue impact of **less than \$500,000**.

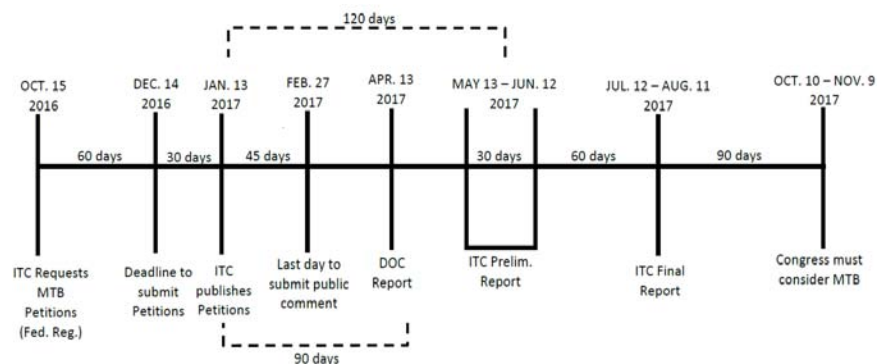
But under the new MTB: **The goods do not have to be sponsored by a Member of Congress to get in the MTB**, although a Member can remove any MTB provision from the legislation.

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The New MTB Process



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The New MTB Process

The Petitioner **shall** include:

Petitioner's name and address.

Statement whether the petition provides for an extension of an existing duty suspension or reduction or provides for a new duty suspension or reduction.

Certification that the petitioner is a likely beneficiary of the proposed duty suspension or reduction.

An article description for the proposed duty suspension or reduction to be included in the HTSUS (i.e., the language to be included in Heading 9902, HTSUS).

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The New MTB Process

To the extent possible, the Petitioner shall include:

A tariff classification of the article.

A Customs classification ruling.

A Customs entry summary (Form 7501) indicating where the article is classified in the HTSUS.

A brief and general description of the article.

A brief description of the industry in the U.S. that uses the article.

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The New MTB Process

An estimate of the value of imports of the article for 5 calendar years after the calendar year in which the petition is filed (including an estimate of the total value by the petitioner and any other importers, if available).

The name of each person that imports the article, if available.

A description of any domestic production of the article, if available.

Such other information as the Commission may require.

Current Deadline: December 14, 2016

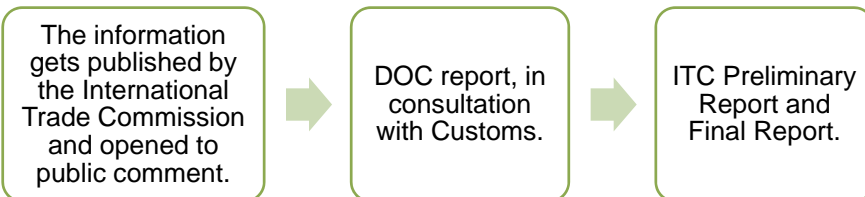
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The New MTB Process

And then:



After which, the proposed MTB goes to Congress.

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The New MTB Process

Congress has the final word and can exclude any proposed provision for just about any reason including:

The provision is not supported by the necessary documentation or data.

The petitioner is not a likely beneficiary.

The duty reduction or suspension "is the subject of an objection from a Member of Congress."

The duty reduction or suspension "is for an article for which there is domestic production."

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The New MTB Process

Expected date when the new MTB will provide actual benefits: **Fall 2017**

If you're interested:

Contact your
MTB expert
to identify
likely
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Assemble
the team.

Start now!

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