

ARTICLE

House Ways & Means Committee Announces 2012 Miscellaneous Tariff Bill (MTB) Process

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The House Ways & Means Committee has begun the process of drafting the first new Miscellaneous Tariff Bill (MTB) since 2010. MTBs are meant to improve the competitiveness of American manufacturing by temporarily removing or reducing import tariffs on inputs not produced by American companies. This allows U.S. manufacturers to reduce their overall costs while maintaining American jobs and promoting exports.

The MTB that was passed in 2010 covers imports through December 31, 2012. The newly-announced MTB process will allow interested parties to request, through their representative and/or senators, the extension of 2010 MTB's duty-free provisions, as well as the addition of new provisions covering additional products. In order to be included in the final MTB, proposed extensions or additions must be (a) non-controversial, (b) cost less than \$500,000 per year and (c) be administrable. A proposal will generally be considered non-controversial where the product to be imported is not manufactured in the United States. Cost is determined through a Congressional Budget Office estimate. A proposal will generally be considered administrable where it describes the product in such a way that U.S. Customs & Border Protection will be able to determine whether a product qualifies for duty suspension/reduction without undue investigation.

MTBs can involve any type of products that meet the requirements outlined above. The last MTB involved items as various as camel hair yarn and exhaust gas manifolds. However, the vast majority of the products typically subject to duty suspension or reduction through the MTB process are chemicals and chemical formulations. Importers and users of chemicals and chemical products may therefore be

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especially interested in maintaining existing duty suspensions, or in requesting new duty suspensions and reductions.

Proposals for inclusion in the new MTB must be submitted by members of Congress by April 30, 2012.