

[Reprinted From 76 Stat. 72-78]

Public Law 87-456

AN ACT

May 24, 1962
[H. R. 10607]

To amend the Tariff Act of 1930 and certain related laws to provide for the restatement of the tariff classification provisions, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Tariff Classification Act of 1962".

Tariff Classifi-
cation Act of 1962.

TITLE I—ADOPTION OF REVISED TARIFF SCHEDULES

SEC. 101. (a) The Tariff Act of 1930, as amended, is amended by striking out titles I and II (19 U.S.C. 1001 and 1201) and, subject to subsection (b) of this section and to sections 102 and 103 of this Act,

46 Stat. 590, 672.

by substituting in lieu thereof a new title I entitled "Title I—Tariff Schedules of the United States".

(b) Such new title I (hereinafter in this Act referred to as the "Tariff Schedules of the United States") shall consist of—

- (1) the general headnotes and rules of interpretation;
- (2) schedules 1 to 8, inclusive; and
- (3) the appendix to the tariff schedules;

all as set forth in the report of the United States Tariff Commission (hereinafter in this Act referred to as the "Commission") entitled "Tariff Classification Study, Proposed Revised Tariff Schedules of the United States", dated November 15, 1960, as changed by the "First Supplemental Report" (January, 1962); and

(4) subject to subsection (c), such changes in the provisions identified in paragraphs (1), (2), and (3) of this subsection as the Commission decides—

(A) are necessary to reflect changes in tariff treatment made by statute or under authority of law, arising either before the date of the enactment of this Act or on or after such date of enactment and before the date on which the Tariff Schedules of the United States is published pursuant to subsection (d), or

(B) are otherwise necessary.

In its determinations under this paragraph, the Commission shall apply the standards it applied in its report of November 15, 1960, referred to above.

(c) (1) The Commission shall include the changes provided for in subsection (b) (4), together with the reasons therefor, in one or more supplemental reports which shall be promptly published and submitted to the President and the Congress. The delivery to the Senate and to the House of Representatives shall be made on the same day. In its supplemental reports the Commission shall include written views submitted to the Commission, and testimony before the Commission, with respect to provisions of the proposed Tariff Schedules of the United States, together with the comments of the Commission on such views and testimony.

(2) (A) No change submitted pursuant to the authority contained in subsection (b) (4) (B) shall become effective unless, following the date on which the supplemental report containing such change was submitted to the Congress and before the date on which the Tariff Schedules of the United States is published pursuant to subsection (d), a period of 60 calendar days of continuous session of the Congress has elapsed.

(B) For purposes of subparagraph (A)—

- (i) continuity of session shall be considered as broken only by an adjournment of the Congress sine die; but
- (ii) in the computation of the 60-day period there shall be excluded the days on which either House is not in session because of an adjournment of more than 3 days to a day certain.

(3) No changes included by the Commission in any supplemental report submitted after the date of the enactment of this Act shall become effective unless included in the Tariff Schedules of the United States as published pursuant to subsection (d).

(d) At the earliest practicable date before the date of the proclamation of the President provided for by section 102, the President shall cause the Tariff Schedules of the United States to be published.

SEC. 102. At the earliest practicable date, the President shall take such action as he deems necessary to bring the United States schedules annexed to foreign trade agreements into conformity with the Tariff

Supplemental reports to President and Congress.

Presidential proclamation.

Schedules of the United States and, after such action is completed, the President shall proclaim—

(1) the rates of duty in rate column numbered 1 of schedules 1 to 7, inclusive, and the other provisions of the Tariff Schedules of the United States, which are required or appropriate to carry out the foreign trade agreements to which the United States is a contracting party;

(2) the temporary modifications set forth in part 2 of the appendix to the tariff schedules (that is, those modifications proclaimed pursuant to the provisions of section 7 of the Trade Agreements Extension Act of 1951, as amended (19 U.S.C. 1364), and of other trade-agreements legislation);

65 Stat. 74.

(3) the additional import restrictions set forth in part 3 of the appendix to the tariff schedules (that is, those restrictions proclaimed pursuant to section 22 of the Agricultural Adjustment Act, as amended (7 U.S.C. 624)); and

62 Stat. 1248.

(4) the nations or areas and countries set forth in general head-note 3(d) of the Tariff Schedules of the United States (relating to the treatment of products of certain Communist-dominated nations or areas and countries discriminating against American commerce).

SEC. 103. The provisions of the Tariff Schedules of the United States as made effective on the date provided by section 501 shall have the status of statutory provisions duly enacted by the Congress, except for—

(1) the rates of duty in rate column numbered 1 of the tariff schedules proclaimed pursuant to paragraph (1) of section 102 which are lower than the rates of duty in rate column numbered 2 of such schedules for the corresponding items; and

(2) the provisions proclaimed by the President pursuant to paragraphs (2), (3), and (4) of section 102.

SEC. 104. During the period between the date of the enactment of this Act and the effective date of the Tariff Schedules of the United States—

(1) all public notices which refer to articles in terms of their tariff descriptions and which are issued in connection with investigations by the Commission or other agency, and all findings or recommendations made during such period by any such agency with respect thereto (including findings or recommendations in connection with investigations instituted before the date of the enactment of this Act), shall make reference to the prospectively applicable provisions of such schedules, as determined by the Commission, as well as to the existing provisions; and

(2) the Commission shall furnish to the President, upon request, any of its outstanding findings restated so as to conform to the Tariff Schedules of the United States to the fullest extent practicable consistent with the purposes of title I of the Customs Simplification Act of 1954.

68 Stat. 1136.
19 USC 1332
note.

Any such findings or recommendations with respect to the Tariff Schedules of the United States shall be treated as formal findings or recommendations of the agency involved.

TITLE II—ADMINISTRATIVE AND SAVING PROVISIONS

SEC. 201. The Commission is authorized to issue, at appropriate intervals, and to keep up to date, a publication containing current tariff schedules and related matters, including such matter as may be needed for reporting statistics.

46 Stat. 734.

52 Stat. 1084.

SEC. 202. (a) This Act shall not divest the courts of their jurisdiction over a protest filed under section 514 of the Tariff Act of 1930, as amended (19 U.S.C. 1514), or by an American manufacturer, producer, or wholesaler under section 516(b) of such Act (19 U.S.C. 1516(b)), against a liquidation covering articles entered, or withdrawn from warehouse, for consumption before the effective date of the Tariff Schedules of the United States.

(b) If such a protest filed under section 516(b) is sustained in whole or in part by a decision of the United States Customs Court or of the United States Court of Customs and Patent Appeals, the liquidations covering articles of the character covered by such court decision, which are entered, or withdrawn from warehouse, for consumption after the date of publication of such court decision, shall be suspended until final disposition is made in accordance with subsection (c).

Report to President.

(c) If such a protest filed under section 516(b) is not sustained in whole or in part by a final judicial decision, the entries made before the effective date of the Tariff Schedules of the United States shall be liquidated in accordance with such final decision, and all other entries shall be liquidated subject to such schedules. If such a protest is sustained in whole or in part by a final judicial decision, the entries made before the effective date of the Tariff Schedules of the United States shall be liquidated in accordance with such final decision, and the Commission shall report to the President such changes in the Tariff Schedules of the United States as the Commission decides are necessary to conform them to the fullest practicable extent to the substance of such final decision. The President shall, as soon as practicable, proclaim such changes. The changes shall be effective with respect to entries, the liquidation of which was suspended in accordance with subsection (b), covering articles entered, or withdrawn from warehouse, for consumption on or after the effective date of the Tariff Schedules of the United States.

48 Stat. 943.
19 USC 1351.

SEC. 203. For purposes of applying section 350 of the Tariff Act of 1930, as amended, with respect to the Tariff Schedules of the United States—

(1) The rates of duty in rate column numbered 2 of schedules 1 to 7, inclusive, of the Tariff Schedules of the United States, shall be treated as the rates of duty existing on July 1, 1934.

(2) The rates of duty in rate column numbered 1 of schedules 1 to 7, inclusive, of the Tariff Schedules of the United States shall be treated as the rates of duty existing on July 1, 1958; except that with respect to any articles the rates for which have been permanently changed by statute or Presidential proclamation since July 1, 1958, the rates to be regarded as existing on that date shall be rates which the Commission specifically declares, in the supplemental reports made pursuant to section 101(c) of this Act, to be rates which, in its judgment, conform to the fullest extent practicable to the rates presently regarded as existing on July 1, 1958.

TITLE III—AMENDMENTS AND REPEALS

Repeals.
68 Stat. 1139;
46 Stat. 690, 725,
732; 67 Stat. 518.
46 Stat. 692.

SEC. 301. (a) Sections 301, 308, 489, 504, and 508 of the Tariff Act of 1930, as amended, are hereby repealed.

(b) Section 312 of the Tariff Act of 1930, as amended (19 U.S.C. 1312), is amended to read as follows:

“SEC. 312. BONDED SMELTING AND REFINING WAREHOUSES.

“(a) Any plant engaged in smelting or refining, or both, of metal-bearing materials as defined in this section may, upon the giving of

satisfactory bond, be designated a bonded smelting or refining warehouse. Metal-bearing materials may be entered into a bonded smelting or refining warehouse without the payment of duties thereon and there smelted or refined, or both, together with metal-bearing materials of domestic or foreign origin. Upon arrival of imported metal-bearing materials at the warehouse they shall be sampled according to commercial methods and assayed, both under customs supervision. The bond shall be charged with a sum equal in amount to the duties which would be payable on such metal-bearing materials in their condition as imported if entered for consumption, and the bond charge shall be adjusted to reflect changes in the applicable rate of duty occurring while the imported materials are still covered by the bond.

“(b) The several charges against such bond may be canceled in whole or in part—

“(1) upon the exportation from the bonded warehouses which treated the metal-bearing materials, or from any other bonded smelting or refining warehouse, of a quantity of the same kind of metal contained in any product of smelting or refining of metal-bearing materials equal to the dutiable quantity contained in the imported metal-bearing materials less wastage provided for in subsection (c), or

“(2) upon payment of duties on the dutiable quantity of metal contained in the imported metal-bearing materials, or

“(3) upon the transfer of the bond charges to another bonded smelting or refining warehouse by physical shipment of a quantity of the same kind of metal contained in any product of smelting or refining of metal-bearing materials equal to the dutiable quantity contained in the imported metal-bearing materials less wastage provided for in subsection (c), or

“(4) upon the transfer of the bond charges to a bonded customs warehouse other than a bonded smelting or refining warehouse by physical shipment of a quantity of the same kind of metal contained in any product of smelting or refining equal to the dutiable quantity contained in the imported metal-bearing materials less wastage provided for in subsection (c), and upon withdrawal from such other warehouse for exportation or domestic consumption the provisions of this section shall apply, or

“(5) upon the transfer to another bonded smelting or refining warehouse without physical shipment of metal of bond charges representing a quantity of dutiable metal contained in imported metal-bearing materials less wastage provided for in subsection (c) of the plant of initial treatment of such materials provided there is on hand at the warehouse to which the transfer is made sufficient like metal in any form to satisfy the transferred bond charges.

“(c) For purposes of paragraphs (1), (3), (4), and (5) of subsection (b), due allowances shall be made for wastage of metals other than copper, lead, and zinc, as ascertained from time to time by the Secretary of the Treasury.

“(d) Upon the exportation of a product of smelting or refining other than refined metal the bond shall be credited with a quantity of metal equivalent to the quantity of metal contained in the product exported less the proportionate part of the deductions allowed for losses in determination of the bond charge being cancelled that would not ordinarily be sustained in production of the specific product exported as ascertained from time to time by the Secretary of the Treasury.

“(e) Two or more smelting or refining warehouses may be included under one general bond and the quantities of each kind of metal sub-

ject to duty on hand at all of such warehouses may be aggregated to satisfy the bond obligation.

Definitions.

“(f) For purposes of this section—

“(1) the term ‘metal-bearing materials’ means metal-bearing ores and other metal-bearing materials provided for in schedule 6, part 1, of the Tariff Schedules of the United States, ‘metal waste and scrap’ and ‘unwrought metal’ to be smelted or refined provided for in schedule 6, part 2, of such schedules, and metal compounds to be processed for the recovery of their metal content;

“(2) the term ‘smelting or refining’ embraces only pyrometallurgical, hydrometallurgical, electrometallurgical, chemical, or other processes—

“(A) for the treatment of metal-bearing materials to reduce the metal content thereof to a metallic state in the course of recovering it in forms which if imported would be classifiable in part 2 of schedule 6 as ‘unwrought metal’, or in the form of oxides or other compounds which are obtained directly from the treatment of materials provided for in part 1 of schedule 6, and

“(B) for the treatment of unwrought metal or metal waste and scrap to remove impurities or undesired components; and

“(3) the term ‘product of smelting or refining’ means metals or metal-bearing materials resulting directly from smelting or refining processes, but does not include metal-bearing ores as defined in part 1 of schedule 6.

“(g) Labor performed and services rendered pursuant to this section shall be under the supervision of an officer of the customs, to be appointed by the Secretary of the Treasury and at the expense of the manufacturer. The Secretary of the Treasury is authorized to make such rules and regulations as may be necessary to carry out the provisions of this section.”

Rules and regulations.

68A Stat. 533.
26 USC 4501.

SEC. 302. (a) The first sentence of section 4501(a) of the Internal Revenue Code of 1954 is amended to read as follows: “There is hereby imposed upon manufactured sugar manufactured in the United States, a tax, to be paid by the manufacturer at the rate of 0.53 cent per pound of the total sugars therein.”

68A Stat. 533;
75 Stat. 40.
26 USC 4501.

(b) Section 4501(b) of such Code is hereby repealed. Subsection (c) of section 4501 of such Code is redesignated as subsection (b), and such subsection is amended—

(1) by striking out “manufacture, use, or importation” in the first sentence thereof and inserting in lieu thereof “manufacture or use”; and

(2) by striking out “subsection (a) or (b)” in the second sentence thereof and inserting in lieu thereof “subsection (a)”.

68A Stat. 801.
26 USC 6418.

(c) Section 6418(b) of such Code is amended by striking out “; except that no such payment shall be allowed with respect to any manufactured sugar, or article, upon which, through substitution or otherwise, a drawback of any tax paid under section 4501(b) has been or is to be claimed under any provisions of law made applicable by section 4504”.

Repeals.
26 USC 4504 et
seq.

(d) Sections 4504, 4511, 4512, 4513, 4514, 4521, 4531, 4532, 4541, 4542, 4551, 4552, 4553, 4561, 4562, 4571, 4572, 4581, 4582, 4601, 4602, 4603, 6412(d) and 7511 of such Code are hereby repealed and the tables of sections for such Code are correspondingly amended.

SEC. 303. (a) Section 1 of the Act of March 2, 1897 (29 Stat. 604), as amended (21 U.S.C. 41), is hereby further amended by changing the

period at the end of the first sentence to a comma, by deleting the second sentence, and by adding the following after such comma: "except as provided in the Tariff Schedules of the United States."

(b) Section 602(d)(6) of the Act of June 30, 1949, chapter 288, title VI, as renumbered by Sixty-fourth Statutes at Large, pages 578, 583 (40 U.S.C. 474), is hereby amended by changing the comma following "Strategic and Critical Materials Stock Piling Act" to a semicolon and deleting the remainder thereof.

63 Stat. 401.

(c) The following provisions are hereby repealed: Act of January 9, 1883 (ch. 17, 22 Stat. 402; 19 U.S.C. 193); Act of May 18, 1896 (ch. 195, 29 Stat. 122; 19 U.S.C. 194); Act of March 3, 1899 (ch. 454, 30 Stat. 1372; 19 U.S.C. 195); section 1, Act of August 27, 1949 (ch. 517, 63 Stat. 666; 19 U.S.C. 196a); section 11, Act of June 16, 1951 (ch. 141, 65 Stat. 75; 19 U.S.C. 1367); section 2951, Revised Statutes (19 U.S.C. 420); section 206(b), Act of May 28, 1956 (ch. 327, 70 Stat. 200; 7 U.S.C. 1856); Act of August 10, 1956 (ch. 1041, 70A Stat. 137; 10 U.S.C. 2383); and section 161(1), Act of August 30, 1954 (ch. 1073, 68 Stat. 950; 42 U.S.C. 2201(1)).

Repeals.

TITLE IV—TARIFF TREATMENT OF CUBAN PRODUCTS

Sec. 401. (a) Cuba is hereby declared to be a nation described in section 5 of the Trade Agreements Extension Act of 1951, as amended (19 U.S.C. 1362, relating to imports from nations and areas dominated or controlled by the foreign government or foreign organization controlling the world Communist movement). Articles which are—

65 Stat. 73.

(1) the growth, produce, or manufacture of Cuba, and

(2) imported on or after the date of the enactment of this Act, shall be denied the benefits of concessions contained in any trade agreement entered into under the authority of section 350 of the Tariff Act of 1930, as amended (19 U.S.C. 1351).

48 Stat. 943.

(b) Nothing in subsection (a) shall affect the rates of duty or the customs or excise treatment of articles the growth, produce, or manufacture of any country other than Cuba.

(c) Subsection (a) shall not apply on or after the date on which the President proclaims that he has determined that Cuba is no longer dominated or controlled by the foreign government or foreign organization controlling the world Communist movement.

(d) The Act of December 17, 1903 (19 U.S.C. 124, 125), and section 316 of the Tariff Act of 1930, as amended (19 U.S.C. 1316), both relating to the implementation of the treaty with Cuba concluded on December 11, 1902, shall not apply during the period during which subsection (a) applies.

33 Stat. 3.
46 Stat. 695.

33 Stat. 2136.

TITLE V—EFFECTIVE DATE

Sec. 501. (a) Except as provided in subsection (b), the repeal of titles I and II of the Tariff Act of 1930 and the substitution of a new title I therefor, as provided for in title I of this Act, and the provisions of title III of this Act shall become effective with respect to articles entered, or withdrawn from warehouse, for consumption on or after the 10th day following the date of the proclamation of the President provided for in section 102.

Ante, pp. 72, 73.

(b) The amendment made by section 302(a) shall become effective on the 10th day following the date of the proclamation of the President provided for in section 102.

Approved May 24, 1962.

Public Law 87-794

AN ACT

October 11, 1962
[H. R. 11970]

To promote the general welfare, foreign policy, and security of the United States through international trade agreements and through adjustment assistance to domestic industry, agriculture, and labor, and for other purposes.

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SEC. 257. RELATION TO OTHER LAWS.

* * *

Ante, p. 74.

(g) (1) Section 102(1) of the Tariff Classification Act of 1962 is amended by striking out "of schedules 1 to 7, inclusive,".

Ante, p. 75.

(2) Section 203 of the Tariff Classification Act of 1962 is amended to read as follows:

Post, p. 883.
Supra.

"SEC. 203. For purposes of applying sections 323 and 350 of the Tariff Act of 1930, as amended, and the Trade Expansion Act of 1962 with respect to the Tariff Schedules of the United States—

"(1) The rate of duty in rate column numbered 2 for each item in schedules 1 to 7, inclusive, of the Tariff Schedules of the United States shall be treated as the rate of duty existing on July 1, 1934.

Ante, p. 78.

"(2) The lowest preferential or nonpreferential rate of duty in rate column numbered 1 for each item in schedules 1 to 7, inclusive, of the Tariff Schedules of the United States on the effective date provided in section 501 (a) of this Act shall be treated as the lowest preferential or nonpreferential rate of duty, respectively, existing on July 1, 1962; except that in the case of any such item included in a supplemental report made pursuant to section 101 (c) of this Act to reflect a change proclaimed by the President after July 1, 1962 (other than a change to which the United States was committed on July 1, 1962), the rate treated as the lowest nonpreferential rate of duty existing on July 1, 1962, shall be the rate which the Commission specifically declares in such supplemental report to be the rate which, in its judgment, conforms to the fullest extent practicable to the rate regarded as existing on July 1, 1962, under section 256 (4) of the Trade Expansion Act of 1962.

Ante, p. 73.

"(3) Legislation entering into force after the effective date provided for in section 501 (a) of this Act which results in the permanent reclassification of any article without specifying the rate of duty applicable thereto, and proclamations under section 202 (c) of this Act, shall be considered as having been in effect since June 30, 1962."

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