

115TH CONGRESS
1ST SESSION

H. R. 2385

To address tariff inversions that create an incentive for United States companies to move production out of the United States, to eliminate the tariff inversion on certain television components, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 4, 2017

Mr. PAULSEN introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To address tariff inversions that create an incentive for United States companies to move production out of the United States, to eliminate the tariff inversion on certain television components, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Tariff Inversion Jobs
5 Act of 2017”.

6 **SEC. 2. SENSE OF CONGRESS ON TARIFF INVERSIONS.**

7 It is the sense of Congress that—

1 (1) it is a national imperative of the United
2 States to encourage economic production and jobs in
3 the United States;

4 (2) the United States should not be creating in-
5 centives to encourage United States companies to
6 move production from the United States to other
7 countries;

8 (3) situations in which tariffs on inputs for a
9 product are higher than on the final product, com-
10 monly referred to as tariff inversions, can have the
11 effect of encouraging United States companies to
12 move production out of the United States;

13 (4) a tariff inversion exists with respect to the
14 production of televisions in the United States, since
15 the tariff on panels carries a tariff of 4.5 percent
16 and the tariff on the main board carries a tariff of
17 2.1 percent, but the final product, televisions assem-
18 bled in Mexico and exported to the United States,
19 enter the United States duty free;

20 (5) rectifying tariff inversions is entirely within
21 the prerogative of the United States;

22 (6) it should be the policy of the United States
23 to eliminate tariff inversions that create an incentive
24 to offshore production, including the tariff inversion
25 regarding televisions; and

1 (7) such a policy would help keep jobs in the
 2 United States, ensure more United States citizens
 3 are employed, strengthen United States competitive-
 4 ness, and build a stronger country.

5 **SEC. 3. REPORT ON TARIFF INVERSIONS.**

6 Not later than 180 days after the date of the enact-
 7 ment of this Act, the United States International Trade
 8 Commission shall submit to Congress a report on tariff
 9 inversions in the Harmonized Tariff Schedule of the
 10 United States that includes—

11 (1) an identification of tariff inversions that
 12 create an incentive for United States companies to
 13 move production out of the United States; and

14 (2) recommendations for measures that could
 15 be taken to eliminate such tariff inversions.

16 **SEC. 4. ELIMINATION OF DUTY ON PANELS AND MAIN**
 17 **BOARDS FOR TELEVISIONS.**

18 (a) MAIN BOARDS.—Chapter 85 of the Harmonized
 19 Tariff Schedule of the United States is amended—

20 (1) by inserting in numerical sequence the fol-
 21 lowing new subheading, with the article description
 22 for subheading 8529.90.11 having the same degree
 23 of indentation as the article description for sub-
 24 heading 8529.90.09:

“	8529.90.11	For television receiv- ers	Free			35%		”;
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1 and

2 (2) by redesignating subheading 8529.90.13 as
3 subheading 8529.90.14.

4 (b) PANELS.—Chapter 90 of the Harmonized Tariff
5 Schedule of the United States is amended by striking sub-
6 heading 9013.80.70 and inserting the following new sub-
7 heading, with the article description for subheading
8 9013.80.71 having the same degree of indentation as the
9 article description for subheading 9013.80.40:

“	9013.80.71	Flat panel displays other than for articles of heading 8528, except subheadings 8528.52 or 8528.62, and except for flat panel displays for use solely or principally with television receivers of subheading 8528.72	Free		45%	”.
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10 (c) EFFECTIVE DATE.—

11 (1) IN GENERAL.—The amendments made by
12 this section shall apply with respect to articles en-
13 tered on or after January 1, 2014.

14 (2) RETROACTIVE APPLICATION FOR CERTAIN
15 LIQUIDATIONS AND RELIQUIDATIONS.—

16 (A) IN GENERAL.—Notwithstanding sec-
17 tion 514 of the Tariff Act of 1930 (19 U.S.C.
18 1514) or any other provision of law and subject
19 to subparagraph (B), any entry of an article
20 classifiable under subheading 8529.90.11 or
21 9013.80.71 of the Harmonized Tariff Schedule

1 of the United States, as added by this section,
2 that was made—

3 (i) on or after January 1, 2014; and

4 (ii) before the date of the enactment
5 of this Act,

6 shall be liquidated or reliquidated as though
7 such entry occurred on such date of enactment.

8 (B) REQUESTS.—A liquidation or reliqui-
9 dation may be made under subparagraph (A)
10 with respect to an entry only if a request there-
11 for is filed with U.S. Customs and Border Pro-
12 tection not later than 180 days after the date
13 of the enactment of this Act that contains suffi-
14 cient information to enable U.S. Customs and
15 Border Protection—

16 (i) to locate the entry; or

17 (ii) to reconstruct the entry if it can-
18 not be located.

19 (C) PAYMENT OF AMOUNTS OWED.—Any
20 amounts owed by the United States pursuant to
21 the liquidation or reliquidation of an entry of
22 an article under subparagraph (A) shall be
23 paid, without interest, not later than 90 days
24 after the date of the liquidation or reliquidation
25 (as the case may be).

1 (D) ENTRY DEFINED.—In this paragraph,
2 the term “entry” includes a withdrawal from
3 warehouse for consumption.

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