

106TH CONGRESS
2D SESSION

S. 2694

To amend section 313 of the Tariff Act of 1930 to make certain products eligible for drawback and to simplify and clarify certain drawback provisions.

IN THE SENATE OF THE UNITED STATES

JUNE 8, 2000

Mr. MURKOWSKI introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend section 313 of the Tariff Act of 1930 to make certain products eligible for drawback and to simplify and clarify certain drawback provisions.

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. UNUSED MERCHANDISE DRAWBACK.**

4 (a) IN GENERAL.—Section 313(j) of the Tariff Act
5 of 1930 (19 U.S.C. 1313(j)) is amended—

6 (1) in paragraph (1), by striking “because of
7 its” and inserting “upon entry or”;

8 (2) in paragraph (2), by striking “because of
9 its” and inserting “upon entry or”; and

1 (3) by adding at the end the following new
2 paragraph:

3 “(5) No prior notification of intent to export is
4 required to be provided to the Customs Service for
5 any exports under this subsection.”.

6 (b) EFFECTIVE DATE.—The amendments made by
7 this section shall take effect on the date of enactment of
8 this Act, and shall apply to drawback claims filed on or
9 after such date and to drawback entries filed before that
10 date if the liquidation of the entry is not final on such
11 date.

12 SEC. 2. REFUNDS, WAIVERS, OR REDUCTIONS UNDER THE
13 NORTH AMERICAN FREE TRADE AGREEMENT
14 IMPLEMENTATION ACT.

15 (a) IN GENERAL.—Section 313(n)(2) of the Tariff
16 Act of 1930 (19 U.S.C. 1313(n)(2)) is amended by strik-
17 ing “(p),”.

18 (b) EFFECTIVE DATE.—The amendment made by
19 this section shall take effect on the date of enactment of
20 this Act, and shall apply to drawback claims filed on or
21 after that date.

22 SEC. 3. SUBSTITUTION OF FINISHED PETROLEUM DERIVA-
23 TIVES.

24 (a) IN GENERAL.—Section 313(p)(3)(A)(i)(I) of the
25 Tariff Act of 1930 (19 U.S.C. 1313(p)(3)(A)(i)(I)) is

1 amended by inserting “2709,” after “2708,” and by strik-
2 ing “2901, 2902, and 2909.19.14” and inserting “2901
3 through 2917, and 3811”.

4 (b) EFFECTIVE DATE.—The amendments made by
5 this section shall take effect on the date of enactment of
6 this Act, and shall apply to drawback claims filed on or
7 after such date and to drawback entries made before such
8 date if the liquidation of the entry is not final on such
9 date.

10 **SEC. 4. ALTERNATIVE METHODS FOR DETERMINING SAME**
11 **KIND AND QUALITY AND COMMERCIAL**
12 **INTERCHANGEABILITY UNDER SECTION 313**
13 **OF THE TARIFF ACT OF 1930.**

14 (a) IN GENERAL.—Section 313 of the Tariff Act of
15 1930 (19 U.S.C. 1313) is amended by adding at the end
16 the following new subsection:

17 “(x) ALTERNATIVE METHODS FOR DETERMINING
18 SAME KIND AND QUALITY AND COMMERCIAL INTER-
19 CHANGEABILITY.—

20 “(1) IN GENERAL.—For purposes of sub-
21 sections (b), (j)(2), and (y), any other merchandise
22 is deemed to be of the same kind and quality as, or
23 commercially interchangeable with, the imported
24 merchandise against which drawback is claimed if
25 the other merchandise and the imported merchan-

1 dise meet any two of the following criteria, selected
2 at the discretion of the manufacturer or drawback
3 claimant:

4 “(A) Both the imported merchandise and
5 the other merchandise meet the same United
6 States Government standard.

7 “(B) Both the imported merchandise and
8 the other merchandise meet the same standard
9 recognized by an independent standards organi-
10 zation or a United States manufacturers' or
11 producers' industry trade group.

12 “(C) Both the imported merchandise and
13 the other merchandise are classified under the
14 same 8-digit subheading of the Harmonized
15 Tariff Schedule of the United States.

16 “(D) Both the imported merchandise and
17 the other merchandise have the same merchan-
18 dise identifier, such as a part number, product
19 code number, or catalog number, with allowance
20 permitted for variations in such number identi-
21 fiers reflecting differences such as color, pack-
22 aging, or container size.

23 “(2) OTHER CRITERIA.—Notwithstanding para-
24 graph (1), nothing in this section shall prohibit the
25 drawback claimant from submitting evidence to en-

1 able the Customs Service to make a determination
2 that the other merchandise is of the same kind and
3 quality as, or is commercially interchangeable with,
4 the imported merchandise.”.

5 (b) EFFECTIVE DATE.—The amendment made by
6 this section shall take effect on the date of enactment of
7 this Act, and shall apply to drawback claims filed on or
8 after such date and to drawback entries filed before such
9 date if the liquidation of the entry is not final on such
10 date.

11 **SEC. 5. DRAWBACK UNDER NAFTA.**

12 (a) IN GENERAL.—Section 313 of the Tariff Act of
13 1930 (19 U.S.C. 1313), as amended by section 4, is
14 amended by adding at the end the following new sub-
15 section:

16 “(y) DRAWBACK UNDER NAFTA.—For purposes of
17 section 203(a)(2) of the North American Free Trade
18 Agreement Implementation Act, a drawback claimant or
19 any other person may designate for drawback any im-
20 ported merchandise on which duty was paid that was en-
21 tered, or withdrawn from warehouse for consumption,
22 within one year prior to the date on which any commer-
23 cially interchangeable merchandise was exported, if the ex-
24 ported merchandise does not receive preference under the
25 North American Free Trade Agreement.”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 this section shall take effect on the date of enactment of
3 this Act, and shall apply to drawback claims filed on or
4 after such date and to drawback entries filed before such
5 date if the liquidation of the entry is not final on such
6 date.

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