

Bureau of Customs and Border Protection

General Notices

DATES AND DRAFT AGENDA OF THE THIRTY-FIFTH SESSION OF THE HARMONIZED SYSTEM COMMITTEE OF THE WORLD CUSTOMS ORGANIZATION

AGENCIES: U.S. Customs and Border Protection, Department of Homeland Security, and U.S. International Trade Commission.

ACTION: Publication of the dates and draft agenda for the thirty-fifth session of the Harmonized System Committee of the World Customs Organization.

SUMMARY: This notice sets forth the dates and draft agenda for the next session of the Harmonized System Committee of the World Customs Organization.

FOR FURTHER INFORMATION CONTACT: Myles B. Harmon, Director, Commercial Rulings Division, U.S. Customs and Border Protection (202-572-8860), or David Beck, Acting Director, Office of Tariff Affairs and Trade Agreements, U.S. International Trade Commission (202-205-2592).

SUPPLEMENTARY INFORMATION:

BACKGROUND

The United States is a contracting party to the International Convention on the Harmonized Commodity Description and Coding System ("Harmonized System Convention"). The Harmonized Commodity Description and Coding System ("Harmonized System"), an international nomenclature system, forms the core of the U.S. tariff, the Harmonized Tariff Schedule of the United States. The Harmonized System Convention is under the jurisdiction of the World Customs Organization (established as the Customs Cooperation Council).

Article 6 of the Harmonized System Convention establishes a Harmonized System Committee ("HSC"). The HSC is composed of representatives from each of the contracting parties to the Harmonized System Convention. The HSC's responsibilities include issuing classification decisions on the interpretation of the Harmonized System.

Those decisions may take the form of published tariff classification opinions concerning the classification of an article under the Harmonized System or amendments to the Explanatory Notes to the Harmonized System. The HSC also considers amendments to the legal text of the Harmonized System. The HSC meets twice a year in Brussels, Belgium. The next session of the HSC will be the thirty-fifth, and it will be held from March 14, 2005 to March 24, 2005.

In accordance with section 1210 of the Omnibus Trade and Competitiveness Act of 1988 (Pub. L. 100-418), the Department of Homeland Security, represented by U.S. Customs and Border Protection, the Department of Commerce, represented by the Census Bureau, and the U.S. International Trade Commission ("ITC"), jointly represent the U.S. government at the sessions of the HSC. The Customs and Border Protection representative serves as the head of the delegation at the sessions of the HSC.

Set forth below is the draft agenda for the next session of the HSC. Copies of available agenda-item documents may be obtained from either Customs and Border Protection or the ITC. Comments on agenda items may be directed to the above-listed individuals.

Dated: January 26, 2005

MYLES B. HARMON,
Director,
Commercial Rulings Division.

Attachment



WORLD CUSTOMS ORGANIZATION
 ORGANISATION MONDIALE DES DOUANES
 Established in 1952 as the Customs Co-operation Council
 Créée en 1952 sous le nom de Conseil de coopération douanière

HARMONIZED SYSTEM
 COMMITTEE

NC0895E1b

-
 35th Session

O. Eng.

Brussels, 18 January 2005.

DRAFT AGENDA FOR THE 35th SESSION
 OF THE HARMONIZED SYSTEM COMMITTEE

From : Monday, 14 March 2005 (11.00 a.m.)
To : Thursday, 24 March 2005

N.B. : Thursday, 10 March 2005 (10.00 a.m.) and Friday, 11 March 2005 : Pre-session
 Working Party (to examine the questions under Agenda Item VI)

Monday, 14 March 2005 (9.30 a.m. – 10.30 a.m.) : Adoption of the Report of the 30th
 Session of the Review Sub-Committee

I. ADOPTION OF THE AGENDA

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|----|-----------------------|-----------|
| 1. | Draft Agenda | NC0895E1b |
| 2. | Draft Timetable | NC0896B1a |

II. REPORT BY THE SECRETARIAT

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|----|--|-----------------------------------|
| 1. | Position regarding Contracting Parties to the HS Convention and related matters | NC0897E1a |
| 2. | Report on the last meeting of the Policy Commission (52 nd Session) | NC0898E1a |
| 3. | Approval of decisions taken by the Harmonized System Committee at its 34 th Session | NG0096E1 NC0893B1 NC0894E1a |
| 4. | Capacity building activities of the Nomenclature and Classification Sub-Directorate | NC0899E1a |
| 5. | Co-operation with other international organisations | NC0900E1a |
| 6. | New information provided on the WCO Web site | NC0901E1a |

NC0895E1b

- 7. Annual survey to determine the percentage of national revenue represented by Customs duties NC0902E1a
- 8. Survey on Free Trade Agreements NC0903E1a
- 9. Development of Correlation Tables NC0904E1a
- 10. Draft corrigendum amendment to the Harmonized System NC0905E1a
- 11. Preparation and timing of HS 2007 publications NC0906E1a
- 12. Status of the development of the non-preferential rules of origin . NC0907E1a
- 13. Other

III. GENERAL QUESTIONS

- 1. Possible amendment of Article 8 of the HS Convention with a view to removing the Council from its purely administrative role with regard to HS reservations, and to making the fast-track procedure the default reservation procedure NC0908E1a
- 2. A two-reservation limit being placed on reservations with respect to any one issue, thus avoiding reservation "ping-pong" NC0909E1a
- 3. Study possibility of updating Council Resolution 5 July 1989 on the insertion in commercial invoices of the HS code numbers NC0910E1a
- 4. Study on the possibility of amending the HS by application of Article 16.4 (a) NC0911E1a
- 5. Correlation between the Harmonized System and the product coverage of selected international Convention NC0923E1a

IV. REPORT OF THE SCIENTIFIC SUB-COMMITTEE

- 1. Report of the 20th Session of the Scientific Sub-Committee NS0112E1a (SSC/20)
- 2. Matters for decision NC0912E1a

V. REPORT OF THE REVIEW SUB-COMMITTEE

- 1. Report of the 30th Session of the Review Sub-Committee NR0542.F1A B1 (RSC/30)
- 2. Matters for decision NC0913E1a
- 3. Amendment of the Explanatory Note to reflect the actual wording of subheading 0210.9 NC0927E1a

NC0895E1b

VI. REPORT OF THE PRESSIONAL WORKING PARTY

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| 1. | Amendments to the Compendium of Classification Opinions to reflect the decision to classify separately candies presented with toys in subheadings 1704.90 and 9503.90, respectively | NC0914E1a Annex A |
| 2. | Amendments to the Compendium of Classification Opinions to reflect the decision to classify " <u>Bronchium8 Cough-syrup</u> " in subheading 2106.90 | NC0914E1a Annex B |
| 3. | Possible amendment of the Subheading Explanatory Note to subheading 2936.90 | NC0914E1a Annex C |
| 4. | Amendments to the Compendium of Classification Opinions to reflect the decision to classify two photo albums in subheading 3926.90 | NC0914E1a Annex D |
| 5. | Amendments to the Compendium of Classification Opinions to reflect the decision to classify three types of flooring panels in subheading 4418.30 | NC0914E1a Annex E |
| 6. | Amendments to the Compendium of Classification Opinions to reflect the decision to classify a certain type of footwear with outer sole of textile material in subheading 6405.20 | NC0914E1a Annex F |
| 7. | Amendments to the Compendium of Classification Opinions to reflect the decision to classify Polymeric PTC Thermistor Devices in subheading 8533.29 | NC0914E1a Annex G |
| 8. | Amendments to the Compendium of Classification Opinions to reflect the decision to classify a product by the name " <u>8808</u> " in heading 95.04 | NC0914E1a Annex H |
| 9. | Possible amendment of the Explanatory Note to heading 96.03 (Proposal by <u>Canada</u>) | NC0914E1a Annex IJ |

VII. FURTHER STUDIES

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| 1. | Possible amendment of the Explanatory Notes clarifying the classification of a product resulting from the inter-esterification of different vegetable oils, in heading 15.17 | NS0098E1a NS0109E1a NS0110E1a NS0112E1a Annex A/4 (SSC/20) |
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NC0895E1b

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| 2. | Classification of liquid margarine | NS0101E1a NS0112E1a Annex A/7 (SSC/20) |
| 3. | Classification of a product by the name " <u>Spirulina Pilsensis</u> " | NS0102E1a NS0112E1a Annex A/8 (SSC/20) |
| 4. | Classification of treated titanium dioxide (product submitted by the <u>EE</u>) | NS0105E1a NS0112E1a Annex A/9 (SSC/20) |
| 5. | Possible amendment of the Explanatory Notes to Chapter 29 with a view to clarifying the classification of antibiotics | NS0099E1a NS0112E1a Annex A/5 (SSC/20) |
| 6. | Possible amendment of the Explanatory Notes to reflect the classification of a certain type of footwear with outer sole of textile material in subheading 6405.20 | NC0915E1a |
| 7. | Deleted | |
| 8. | Possible amendment of the Explanatory Note to reflect the decision to classify water-jet cutting machines in heading 84.79 .. | NC0916E1a |
| 9. | Classification of set top boxes (request from WTO) | NC0889E1 (HSC/34) |
| 10. | Study aimed at determining whether or not there is a contradiction between the legal texts and exclusion (b) of the Explanatory Note to heading 95.04 (page 1917), arising from the classification of the " <u>ES</u> " | NC0917E1a |
| 11. | Classification of a product containing more than 99.2 % of sodium sulphate (Reservation by <u>Turkey</u>) | NC0928E1a |

VIII. NEW QUESTIONS

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| 1. | Classification of a liquid micronutrient preparation | NC0883E1 (HSC/34) |
| 2. | Classification of bio-diesel | NS0106E1a NS0112E1a Annex A/10 (SSC/20) |
| 3. | Classification of separately presented indoor and outdoor units of air conditioning systems | NC0918E1a |

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| | NC0895E1b |
| 4. Classification of reach stackers | NC0919E1a |
| 5. Classification of an audio compact disc manufacturing system | NC0888E1 (HSC/34) |
| 6. Classification of graduated urinary drainage bags and meters | NC0884E1 (HSC/34) |
| 7. Possible amendment of the Explanatory Notes to headings 87.03 and 87.11 (Proposal by <u>Turkey</u>) | NC0922E1a |
| 8. Classification of concentrated elderberry juice | NC0924E1a |
| 9. Possible amendment of the Explanatory Note to heading 42.02 (Proposal by the <u>EEC</u>) | NC0925E1a |
| 10. Possible amendment of the Explanatory Notes to heading 73.12 and Section XVII (Proposal by the <u>EEC</u>) | NC0928E1a |
| 11. Possible amendment of the Explanatory Notes to headings 83.06 and 85.07 (Proposal by <u>Canada</u>) | NC0929E1a |
| 12. Classification of dining room sets and similar furniture combinations | NC0930E1a |
| IX. ADDITIONAL LIST | |
| 1. Classification of <u>Haygrove</u> tunnel components | NC0931E1a |
| X. HS ARTICLE 16 RECOMMENDATION | NC0920E1a |
| XI. OTHER BUSINESS | |
| 1. List of questions which might be examined at a future session | NC0921E1a |
| XII. ELECTIONS | |
| XIII. DATES OF NEXT SESSIONS | |

**QUARTERLY IRS INTEREST RATES USED IN
CALCULATING INTEREST ON OVERDUE ACCOUNTS AND
REFUNDS ON CUSTOMS DUTIES**

AGENCY: Customs and Border Protection, Department of Homeland Security.

ACTION: General notice.

SUMMARY: This notice advises the public of the quarterly Internal Revenue Service interest rates used to calculate interest on overdue accounts (underpayments) and refunds (overpayments) of customs duties. For the calendar quarter beginning January 1, 2005, the interest rates for overpayments will be 4 percent for corporations and 5 percent for non-corporations, and the interest rate for underpayments will be 5 percent. This notice is published for the convenience of the importing public and Customs and Border Protection personnel.

EFFECTIVE DATE: January 1, 2005.

FOR FURTHER INFORMATION CONTACT: Trong Quan, National Finance Center, Collections Section, 6026 Lakeside Boulevard, Indianapolis, Indiana 46278; telephone (317) 614-4516.

SUPPLEMENTARY INFORMATION:

Background

Pursuant to 19 U.S.C. 1505 and Treasury Decision 85-93, published in the **Federal Register** on May 29, 1985 (50 FR 21832), the interest rate paid on applicable overpayments or underpayments of customs duties must be in accordance with the Internal Revenue Code rate established under 26 U.S.C. 6621 and 6622. Section 6621 was amended (at paragraph (a)(1)(B) by the Internal Revenue Service Restructuring and Reform Act of 1998, Public Law 105-206, 112 Stat. 685) to provide different interest rates applicable to overpayments: one for corporations and one for non-corporations.

The interest rates are based on the Federal short-term rate and determined by the Internal Revenue Service (IRS) on behalf of the Secretary of the Treasury on a quarterly basis. The rates effective for a quarter are determined during the first-month period of the previous quarter.

In Revenue Ruling 2004-111, the IRS determined the rates of interest for the calendar quarter beginning January 1, 2005, and ending March 31, 2005. The interest rate paid to the Treasury for underpayments will be the Federal short-term rate (2%) plus three percentage points (3%) for a total of five percent (5%). For corporate overpayments, the rate is the Federal short-term rate (2%) plus two percentage points (2%) for a total of four percent (4%). For overpayments made by non-corporations, the rate is the Federal short-term

rate (2%) plus three percentage points (3%) for a total of five percent (5%). These interest rates are subject to change for the calendar quarter beginning April 1, 2005, and ending June 30, 2005.

For the convenience of the importing public and Customs and Border Protection personnel the following list of IRS interest rates used, covering the period from before July of 1974 to date, to calculate interest on overdue accounts and refunds of customs duties, is published in summary format.

| <u>Beginning Date</u> | <u>Ending Date</u> | <u>Under- payments (percent)</u> | <u>Over- payments (percent)</u> | <u>Corporate Overpay- ments (Eff. 1-1-99) (percent)</u> |
|---------------------------|------------------------|--|---|---|
| 070174 | 063075 | 6 % | 6 % | |
| 070175 | 013176 | 9 % | 9 % | |
| 020176 | 013178 | 7 % | 7 % | |
| 020178 | 013180 | 6 % | 6 % | |
| 020180 | 013182 | 12 % | 12 % | |
| 020182 | 123182 | 20 % | 20 % | |
| 010183 | 063083 | 16 % | 16 % | |
| 070183 | 123184 | 11 % | 11 % | |
| 010185 | 063085 | 13 % | 13 % | |
| 070185 | 123185 | 11 % | 11 % | |
| 010186 | 063086 | 10 % | 10 % | |
| 070186 | 123186 | 9 % | 9 % | |
| 010187 | 093087 | 9 % | 8 % | |
| 100187 | 123187 | 10 % | 9 % | |
| 010188 | 033188 | 11 % | 10 % | |
| 040188 | 093088 | 10 % | 9 % | |
| 100188 | 033189 | 11 % | 10 % | |
| 040189 | 093089 | 12 % | 11 % | |
| 100189 | 033191 | 11 % | 10 % | |
| 040191 | 123191 | 10 % | 9 % | |
| 010192 | 033192 | 9 % | 8 % | |
| 040192 | 093092 | 8 % | 7 % | |
| 100192 | 063094 | 7 % | 6 % | |
| 070194 | 093094 | 8 % | 7 % | |
| 100194 | 033195 | 9 % | 8 % | |
| 040195 | 063095 | 10 % | 9 % | |
| 070195 | 033196 | 9 % | 8 % | |
| 040196 | 063096 | 8 % | 7 % | |
| 070196 | 033198 | 9 % | 8 % | |
| 040198 | 123198 | 8 % | 7 % | |
| 010199 | 033199 | 7 % | 7 % | 6 % |
| 040199 | 033100 | 8 % | 8 % | 7 % |
| 040100 | 033101 | 9 % | 9 % | 8 % |

| <u>Beginning Date</u> | <u>Ending Date</u> | <u>Under- payments (percent)</u> | <u>Over- payments (percent)</u> | <u>Corporate Overpay- ments (Eff. 1-1-99) (percent)</u> |
|---------------------------|------------------------|--|---|---|
| 040101 | 063001 | 8% | 8% | 7% |
| 070101 | 123101 | 7% | 7% | 6% |
| 010102 | 123102 | 6% | 6% | 5% |
| 010103 | 093003 | 5% | 5% | 4% |
| 100103 | 033104 | 4% | 4% | 3% |
| 040104 | 063004 | 5% | 5% | 4% |
| 070104 | 093004 | 4% | 4% | 3% |
| 100104 | 033105 | 5 % | 5% | 4% |

Dated: January 19, 2005

ROBERT C. BONNER,
*Commissioner,
Customs and Border Protection.*

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