



MISCELLANEOUS TARIFF BILL

What is the Miscellaneous Tariff Bill (MTB)?

The MTB is a package of more than 2,000 individual bills that cuts import tariffs on necessary inputs and products that are not produced or available in the United States. U.S. importers, usually manufacturers or representatives of industry associations, will sometimes ask Members to introduce legislation seeking to reduce, repeal, or temporarily suspend duties on certain imports. Since the early 1980s, the House Ways and Means and Senate Finance committees have tended to incorporate these duty suspension requests into omnibus legislation known as miscellaneous trade and technical corrections bills (MTBs).

Before inclusion in an MTB, the individual legislative proposals introduced by Members are reviewed by the trade subcommittee staff in each committee, the U.S. International Trade Commission (USITC), and several executive branch agencies to ensure that they meet the following criteria:

- They are noncontroversial (generally, that no domestic producer objects),
- They are relatively revenue-neutral (revenue loss of no more than \$500,000 in foregone tariffs per item), and
- They are able to be administered by U.S. Customs and Border Protection (CBP).

What are the benefits of the MTB?

- **MTB Supports Jobs:** By temporarily suspending duties on manufacturing inputs, this bill lowers the cost of manufacturing inputs and some finished products not made or available here in the United States. This in turn makes U.S. manufacturers more competitive and creates U.S. jobs. According to the National Association of Manufacturers, the last MTB package passed by Congress in 2010 was estimated to support approximately 90,000 American jobs, increased U.S. production by roughly \$4.6 billion, and expanded U.S. GDP by about \$3.5 billion.
- **MTB Makes U.S. Manufacturers More Competitive:** The MTB promotes the global competitiveness of small, medium and large manufacturers in a challenging global economy. Lower foreign tariffs benefit U.S. exporters because they make U.S. goods less expensive and more competitive in foreign markets. A 2011 NAM report indicates that the costs of manufacturing in America are already 20 percent higher than in our major competitor countries.
- **Benefit to consumers:** Lower U.S. tariffs can benefit domestic manufacturers and consumers because the cost savings on imported products used in manufacturing may be passed on to consumers and other “downstream” producers.

What is the latest status?

Over 400 days have passed since the MTB expired on January 1, 2013. On July 17, 2013, the new MTB renamed “The U.S. Job Creation and Manufacturing Competitiveness Act (H.R. 2708)” was introduced in the House of Representatives and was referred to the House Committee on Ways and Means where it is still under consideration.

Sources: House Ways & Means Committee; Congressional Research Service; National Association of Manufacturers.