

TO AMEND SECTION 563 OF THE TARIFF ACT OF 1922

FEBRUARY 3, 1927.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed

Mr. GREEN of Iowa, from the Committee on Ways and Means, submitted the following

REPORT

[To accompany H. R. 16885]

The Committee on Ways and Means, to whom was referred the bill (H. R. 16885) to amend section 563 of the tariff act of 1922, having had the same under consideration, report it back to the House without amendment and recommend that the bill do pass.

The legislation herein recommended proposes (1) to correct an injustice in the tariff act of 1922 which has been carried over from previous tariff acts, and (2) to simplify the procedure necessary to secure a refund or abatement of duty on merchandise injured or destroyed while in the appraisers' stores undergoing appraisal or while in bonded warehouse, etc., if the amount involved is less than \$25.

Under section 563 of the tariff act of 1922 the importer must pay a duty on merchandise which has been lost or stolen while in the appraisers' stores under customs custody. The first proviso of this bill amends existing law to relieve him from the payment of duty on such lost or stolen merchandise.

This proposal has the approval of the Secretary of the Treasury, who, in connection with H. R. 10933, wrote to the committee on May 12, 1926, as follows:

TREASURY DEPARTMENT,
Washington, May 12, 1926.

DEAR MR. CHAIRMAN: I refer again to your letter of April 24, 1926, transmitting for report a copy of the bill (H. R. 10933) to amend section 563 of the tariff act of 1922.

The present law provides, *inter alia*, for complete or partial refunds or abatement of duty on merchandise actually injured or destroyed, in whole or in part, by accidental fire or other casualty, while in the appraiser's stores undergoing appraisal. The change of the words from while "undergoing appraisal" in the present law to the words "under customs custody" in the bill is not very material.

The principal change is in providing relief in case of theft while the merchandise is in the appraiser's stores.

Inasmuch as importers are deprived of any opportunity to protect their property while it is in the appraiser's stores and entire responsibility rests on the Government, it would seem entirely equitable to relieve the importers of the duties in such cases. I, therefore, recommend the passage of the bill.

Very truly yours,

A. W. MELLON, *Secretary of the Treasury.*

Hon. WILLIAM R. GREEN,
*Chairman Committee on Ways and Means,
House of Representatives, United States.*

The second proviso adds a new provision to the tariff act of 1922 which would eliminate a portion of the procedure necessary to obtain a refund or abatement of duty on merchandise injured or destroyed while in bonded warehouse or in the appraisers' stores undergoing appraisal, etc., if the amount involved is less than \$25.

In a letter to the committee on H. R. 15283, the Secretary of the Treasury approved this legislation. The letter of the Secretary is as follows:

TREASURY DEPARTMENT,
Washington, January 8, 1927.

DEAR MR. CHAIRMAN: I have the honor to refer to your letter of the 20th ultimo transmitting for comment a copy of bill (H. R. 15283) to amend section 563 of the tariff act of 1922.

Under the present law, in order to secure a refund or abatement of duty on merchandise injured or destroyed while in bonded warehouse or in appraisers' stores undergoing appraisal, etc., satisfactory proof of the actual injury or destruction of the goods must be furnished the United States Customs Court (formerly the Board of United States General Appraisers), the importer having first filed a notice in writing with the collector of customs, who, in turn, must transmit it to the United States Customs Court for due assignment and determination. The proposed amendment would eliminate part of this procedure by allowing the collector of customs to determine, upon the filing of notice by the importer and the production of satisfactory proof, whether or not a refund or abatement should be allowed under section 563, supra, where the amount involved is less than \$25.

The proposed change should prove beneficial, inasmuch as it will simplify procedure in the recovery of trivial amounts. I therefore recommend the passage of bill H. R. 15283.

Very truly yours,

A. W. MELLON, *Secretary of the Treasury.*

Hon. W. R. GREEN,
*Chairman Committee on Ways and Means,
House of Representatives.*

