

SEC. 3. Appointments of acting postmasters in all classes of post offices shall be made by the Postmaster General: *Provided*, That acting postmasters shall serve not to exceed six months from the date of their designation, except that the Postmaster General may extend the period of service of any acting postmaster beyond such six months' period with the permission of the Civil Service Commission.

Acting postmasters, appointments by Postmaster General. *Proviso.* Service limitation.

SEC. 4. All Acts or parts of Acts inconsistent herewith are hereby repealed.

Inconsistent laws repealed.

Approved, June 25, 1938.

[CHAPTER 679]

AN ACT

To amend certain administrative provisions of the Tariff Act of 1930, and for other purposes.

June 25, 1938  
[H. R. 8099]  
[Public, No. 721]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That this Act may be cited as the "Customs Administrative Act of 1938".

Customs Administrative Act of 1938.

SEC. 2. Sections 1, 201, 401 (k), 557, and 562 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, secs. 1001, 1201, 1401 (k), 1557, and 1562) and section 401 (a) of the Anti-Smuggling Act (U. S. C., 1934 edition, Supp. III, title 19, sec. 1709 (a)) are hereby amended by inserting "Wake Island, Midway Islands, Kingman Reef," before the words "and the island of Guam" and before the words "or the island of Guam" wherever such words appear in each such section.

Areas excluded from territory in which tariff laws are applicable.  
46 Stat. 590, 672, 708, 744, 745.  
19 U. S. C. §§ 1001, 1201, 1401 (k), 1557, 1562; Supp. III, § 1201.  
49 Stat. 529.  
19 U. S. C., Supp. III, § 1709 (a).  
46 Stat. 687.  
19 U. S. C. § 1304.

SEC. 3. Section 304 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1304) is hereby amended to read as follows:

"SEC. 304. MARKING OF IMPORTED ARTICLES AND CONTAINERS.

Marking of imported articles and containers.  
English name of country of origin.

"(a) MARKING OF ARTICLES.—Except as hereinafter provided, every article of foreign origin (or its container, as provided in subsection (b) hereof) imported into the United States shall be marked in a conspicuous place as legibly, indelibly, and permanently as the nature of the article (or container) will permit in such manner as to indicate to an ultimate purchaser in the United States the English name of the country of origin of the article. The Secretary of the Treasury may by regulations—

Regulations by Secretary of the Treasury.

"(1) Determine the character of words and phrases or abbreviations thereof which shall be acceptable as indicating the country of origin and prescribe any reasonable method of marking, whether by printing, stenciling, stamping, branding, labeling, or by any other reasonable method, and a conspicuous place on the article (or container) where the marking shall appear;

Character of words and abbreviations, marking methods, etc.

"(2) Require the addition of any other words or symbols which may be appropriate to prevent deception or mistake as to the origin of the article or as to the origin of any other article with which such imported article is usually combined subsequent to importation but before delivery to an ultimate purchaser; and

Addition of words, etc., to prevent deception or mistake.

"(3) Authorize the exception of any article from the requirements of marking if—

Exceptions from marking requirements.

"(A) Such article is incapable of being marked;

"(B) Such article cannot be marked prior to shipment to the United States without injury;

"(C) Such article cannot be marked prior to shipment to the United States, except at an expense economically prohibitive of its importation;

"(D) The marking of a container of such article will reasonably indicate the origin of such article;

“(E) Such article is a crude substance;

“(F) Such article is imported for use by the importer and not intended for sale in its imported or any other form;

“(G) Such article is to be processed in the United States by the importer or for his account otherwise than for the purpose of concealing the origin of such article and in such manner that any mark contemplated by this section would necessarily be obliterated, destroyed, or permanently concealed;

“(H) An ultimate purchaser, by reason of the character of such article or by reason of the circumstances of its importation, must necessarily know the country of origin of such article even though it is not marked to indicate its origin;

“(I) Such article was produced more than twenty years prior to its importation into the United States; or

“(J) Such article is of a class or kind with respect to which the Secretary of the Treasury has given notice by publication in the weekly Treasury Decisions within two years after July 1, 1937, that articles of such class or kind were imported in substantial quantities during the five-year period immediately preceding January 1, 1937, and were not required during such period to be marked to indicate their origin: *Provided*, That this subdivision (J) shall not apply after September 1, 1938, to sawed lumber and timbers, telephone, trolley, electric-light, and telegraph poles of wood, and bundles of shingles; but the President is authorized to suspend the effectiveness of this proviso if he finds such action required to carry out any trade agreement entered into under the authority of the Act of June 12, 1934 (U. S. C., 1934 edition, title 19, secs. 1351-1354), as extended.

*Proviso.*  
Sawed lumber and timbers, etc.

48 Stat. 943.  
19 U. S. C. §§ 1351-1354; Supp. III, § 1352.

Marking of immediate containers of certain exempted articles.

“(b) MARKING OF CONTAINERS.—Whenever an article is excepted under subdivision (3) of subsection (a) of this section from the requirements of marking, the immediate container, if any, of such article, or such other container or containers of such article as may be prescribed by the Secretary of the Treasury, shall be marked in such manner as to indicate to an ultimate purchaser in the United States the English name of the country of origin of such article, subject to all provisions of this section, including the same exceptions as are applicable to articles under subdivision (3) of subsection (a). If articles are excepted from marking requirements under clause (F), (G), or (H) of subdivision (3) of subsection (a) of this section, their usual containers shall not be subject to the marking requirements of this section. Usual containers in use as such at the time of importation shall in no case be required to be marked to show the country of their own origin.

Exceptions.

Additional duties for failure to mark.

“(c) ADDITIONAL DUTIES FOR FAILURE TO MARK.—If at the time of importation any article (or its container, as provided in subsection (b) hereof) is not marked in accordance with the requirements of this section, and if such article is not exported or destroyed or the article (or its container, as provided in subsection (b) hereof) marked after importation in accordance with the requirements of this section (such exportation, destruction, or marking to be accomplished under customs supervision prior to the liquidation of the entry covering the article, and to be allowed whether or not the article has remained in continuous customs custody), there shall be levied, collected, and paid upon such article a duty of 10 per centum ad valorem, which shall be deemed to have accrued at the time of importation,

shall not be construed to be penal, and shall not be remitted wholly or in part nor shall payment thereof be avoidable for any cause. Such duty shall be levied, collected, and paid in addition to any other duty imposed by law and whether or not the article is exempt from the payment of ordinary customs duties. The compensation and expenses of customs officers and employees assigned to supervise the exportation, destruction, or marking to exempt articles from the application of the duty provided for in this subsection shall be reimbursed to the Government by the importer.

“(d) **DELIVERY WITHHELD UNTIL MARKED.**—No imported article held in customs custody for inspection, examination, or appraisalment shall be delivered until such article and every other article of the importation (or their containers), whether or not released from customs custody, shall have been marked in accordance with the requirements of this section or until the amount of duty estimated to be payable under subsection (c) of this section has been deposited. Nothing in this section shall be construed as excepting any article (or its container) from the particular requirements of marking provided for in any other provision of law.

“(e) **PENALTIES.**—If any person shall, with intent to conceal the information given thereby or contained therein, deface, destroy, remove, alter, cover, obscure, or obliterate any mark required under the provisions of this Act, he shall, upon conviction, be fined not more than \$5,000 or imprisoned not more than one year, or both.”

SEC. 4. Subdivisions (1), (5), and (6) of section 308 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1308) are hereby amended to read as follows:

“(1) Articles to be repaired, altered, or otherwise changed in condition by processes which do not result in articles manufactured or produced in the United States;

“(5) Automobiles, motorcycles, bicycles, airplanes, airships, balloons, boats, racing shells, and similar vehicles and craft, and horses, and the usual equipment of the foregoing; all the foregoing which are brought temporarily into the United States by nonresidents (A) for the purpose of taking part in races or other specific contests, or (B) for the transportation of such nonresidents, their families and guests, and such incidental carriage of articles as may be necessary and appropriate to the purposes of the journey, but not to be used for the transportation of persons or articles for hire nor in any case primarily for the carriage of articles (but nothing in this Act shall be construed as altering the customary exceptions of vehicles and other instruments of international traffic from the application of the customs laws); and in the case of horses, vehicles, and craft entered under this subdivision collectors of customs may, under such regulations as the Secretary of the Treasury may prescribe, defer the exaction of a bond for not to exceed ninety days (or six months in the case of such horses, vehicles, and craft from a country which accords a similar privilege to horses, vehicles, and craft from the United States) after the date of importation, but unless such horse, vehicle, or craft is exported or the bond is given within the period of such deferment, such horse, vehicle, or craft shall be subject to forfeiture;

“(6) Locomotives and other railroad equipment brought temporarily into the United States for use in clearing obstructions, fighting fires, or making emergency repairs on railroads within the United States, or for use in transportation otherwise than in international traffic when the Secretary of the Treasury finds

Reimbursement for supervisory services.

Delivery withheld until article, etc., marked.

Penalties.

Temporary free importation under bond for exportation.  
46 Stat. 690.  
19 U. S. C. § 1308.  
Articles changed in condition but not manufactured.

Private automobiles, etc., used for designated purposes.

Restrictions.

Bond provisions.

Foreign railroad equipment for emergency use.

that the temporary use of foreign railroad equipment is necessary to meet an emergency;” and the period at the end of subdivision (8) is changed to a semicolon and a new subdivision is added at the end of such section 308 to read as follows:

Professional equipment, tools of trade; etc.

“(9) Professional equipment, tools of trade, and camping equipment imported for their own use by nonresidents sojourning temporarily in the United States, and articles of special design for temporary use exclusively in connection with the manufacture or production of articles for export.”

46 Stat. 690.  
19 U. S. C. § 1309.

SEC. 5. (a) Section 309 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1309) is hereby amended to read as follows:

Supplies for certain vessels and aircraft.

“SEC. 309. SUPPLIES FOR CERTAIN VESSELS AND AIRCRAFT.

Exemption from customs duties and internal-revenue tax.

“(a) EXEMPTION FROM CUSTOMS DUTIES AND INTERNAL-REVENUE TAX.—Articles of foreign or domestic manufacture or production may, under such regulations as the Secretary of the Treasury may prescribe, be withdrawn from bonded warehouses, bonded manufacturing warehouses, or continuous customs custody elsewhere than in a bonded warehouse free of duty or internal-revenue tax for supplies (not including equipment) of vessels of war, in ports of the United States, of any nation which may reciprocate such privilege toward the vessels of war of the United States in its ports, or for supplies (not including equipment) of vessels employed in the fisheries or in the whaling business, or actually engaged in foreign trade or trade between the Atlantic and Pacific ports of the United States or between the United States and any of its possessions, or for supplies (not including equipment) of aircraft registered in the United States and actually engaged in foreign trade or trade between the United States and any of its possessions, or for supplies (including equipment), maintenance, or repair of aircraft registered in any foreign country and actually engaged in foreign trade or trade between the United States and any of its possessions, where such trade by foreign aircraft is permitted.

Supplies for designated vessels.

Aircraft supplies.

Drawback.

“(b) DRAWBACK.—Articles withdrawn from bonded warehouses, bonded manufacturing warehouses, or continuous customs custody elsewhere than in a bonded warehouse and articles of domestic manufacture or production, laden as supplies upon any such foreign vessel or any such vessel or aircraft of the United States or laden as supplies (including equipment) upon, or used in the maintenance or repair of, any such foreign aircraft, shall be considered to be exported within the meaning of the drawback provisions of this Act.

Articles removed in, or returned to, the United States.  
46 Stat. 696.  
19 U. S. C. § 1317.  
Post, p. 1081.

“(c) ARTICLES REMOVED IN, OR RETURNED TO, THE UNITED STATES.—Any article exempted from duty or tax, or in respect of which drawback has been allowed, under this section or section 317 of this Act and thereafter removed in the United States from any vessel or aircraft, or otherwise returned to the United States, shall be treated as an importation from a foreign country.

Reciprocal privileges.  
46 Stat. 696.  
19 U. S. C. § 1317.  
Post, p. 1081.  
Conditions.

“(d) RECIPROCAL PRIVILEGES.—The privileges granted by this section and section 317 of this Act in respect of aircraft registered in a foreign country shall be allowed only if the Secretary of the Treasury shall have been advised by the Secretary of Commerce that he has found that such foreign country allows, or will allow, substantially reciprocal privileges in respect of aircraft registered in the United States. If the Secretary of Commerce shall advise the Secretary of the Treasury that he has found that a foreign country has discontinued, or will discontinue, the allowance of such privileges, the

privileges granted by this section and such section 317 shall not apply thereafter in respect of aircraft registered in that foreign country."

(b) Section 317 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1317, and title 26, sec. 897 (b)) is amended by changing the caption thereof to read "TOBACCO PRODUCTS—SUPPLIES FOR AIRCRAFT."; by designating the present paragraph thereof as subsection (a); and by adding thereto a new subsection (b) to read as follows:

"(b) The shipment or delivery of any merchandise for use as supplies (including equipment) upon, or in the maintenance or repair of, aircraft registered in any foreign country and actually engaged in foreign trade or trade between the United States and any of its possessions, where such trade by foreign aircraft is permitted, shall be deemed an exportation within the meaning of the customs and internal-revenue laws applicable to the exportation of such merchandise without the payment of duty or internal-revenue tax."

(c) This section shall take effect on the day following the enactment of this Act.

SEC. 6. Section 315 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1315) is hereby amended by deleting the proviso thereof, changing the colon preceding such proviso to a period, and adding at the end of such section the following: "Insofar as duties are based upon the quantity of any merchandise, such duties shall, except as provided in paragraph 813 and section 562 of this Act (relating respectively to certain beverages and to manipulating warehouses), be levied and collected upon the quantity of such merchandise at the time of its importation. No administrative ruling resulting in the imposition of a higher rate of duty or charge than the Secretary of the Treasury shall find to have been applicable to imported merchandise under an established and uniform practice shall be effective with respect to articles entered for consumption or withdrawn from warehouse for consumption prior to the expiration of thirty days after the date of publication in the weekly Treasury Decisions of notice of such ruling; but this provision shall not apply with respect to the imposition of antidumping duties."

SEC. 7. The Tariff Act of 1930 is hereby amended by adding at the end of part I of title III thereof the following new section:

**"SEC. 321. ADMINISTRATIVE EXEMPTIONS.**

"Collectors of customs are hereby authorized, under such regulations as the Secretary of the Treasury may prescribe, to disregard a difference of less than \$1 between the total estimated duties or taxes deposited, or the total duties or taxes tentatively assessed, with respect to any entry of merchandise and the total amount of duties or taxes actually accruing thereon, and to admit articles free of duty when the expense and inconvenience of collecting the duty accruing thereon would be disproportionate to the amount of such duty, but the aggregate value of articles imported by one person on one day and exempted from the payment of duty under the authority of this section shall not exceed \$5 in the case of articles accompanying, and for the personal or household use of, persons arriving in the United States, or \$1 in any other case."

SEC. 8. Section 402 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1402) is hereby amended by inserting the words "for home consumption" after the words "freely offered for sale" in subsection (c), and by inserting the words "for domestic consumption" after the words "freely offered for sale" in subsections (e) and (g) and after the word "sold" in subsection (g).

46 Stat. 696.  
19 U. S. C. § 1317;  
26 U. S. C. § 897 (b).  
Tobacco products;  
supplies for aircraft.

Shipments or delivery of certain aircraft supplies.

Effective date of section.

46 Stat. 695.  
19 U. S. C. § 1315.

Duties based upon quantity, collection at time of importation; exceptions.  
46 Stat. 640, 745.  
19 U. S. C. § 1001, par. 813; § 1562.

Imposition of higher rates by administrative ruling.

Imposition of anti-dumping duties.

46 Stat. 696.

Administrative exemptions.  
Differences of less than \$1.

Duty free when expense of collection disproportionate to amount of duty.  
Limitation.

46 Stat. 709.  
19 U. S. C. § 1402.  
Bases of valuation; definitions amended.

Extra compensation.  
46 Stat. 715.  
19 U. S. C. § 1451.

Overtime compensation of customs officers and employees.

Existing authority to make assignments not impaired.

46 Stat. 717.  
19 U. S. C. § 1459.

Merchandise imported from contiguous country otherwise than in a vessel or vehicle.

46 Stat. 717.  
19 U. S. C. § 1460.

Penalties for failure to report or file manifest.

Forfeitures.

Landing passengers.

SEC. 9. So much of the last sentence of section 451 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1451) as precedes the words "gives a bond in a penal sum to be fixed by the collector" is hereby amended to read as follows: "Upon a request made by the owner, master, or person in charge of a vessel or vehicle, or by or on behalf of a common carrier or by or on behalf of the owner or consignee of any merchandise or baggage, for overtime services of customs officers or employees at night or on a Sunday or holiday, the collector shall assign sufficient customs officers or employees if available to perform any such services which may lawfully be performed by them during regular hours of business, but only if the person requesting such services"; and the said section 451 is further amended by adding at the end thereof the following: "Nothing in this section shall be construed to impair the existing authority of the Treasury Department to assign customs officers or employees to regular tours of duty at nights or on Sundays or holidays when such assignments are in the public interest."

SEC. 10. (a) Section 459 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1459) is hereby amended by striking out the last two sentences of such section and inserting in lieu thereof the following: "Any person importing or bringing merchandise into the United States from a contiguous country otherwise than in a vessel or vehicle shall immediately report his arrival to the customs officer at the port of entry or customhouse which shall be nearest to the place at which he shall cross the boundary line and shall present such merchandise to such customs officer for inspection."

(b) Section 460 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1460) is hereby amended to read as follows:

**"SEC. 460. SAME—PENALTIES FOR FAILURE TO REPORT OR FILE MANIFEST.**

"The master of any vessel or the person in charge of any vehicle who fails to report arrival in the United States as required by the preceding section, or if so reporting proceeds further inland without a permit from the proper customs officer, shall be subject to a penalty of \$100 for each offense. If any merchandise is imported or brought into the United States in any vessel or vehicle, or by any person otherwise than in a vessel or vehicle, from a contiguous country, which vessel, vehicle, or merchandise is not so reported to the proper customs officers; or if the master of such vessel or the person in charge of such vehicle fails to file a manifest for the merchandise carried therein, or discharges or lands such merchandise without a permit; such merchandise and the vessel or vehicle, if any, in which it was imported or brought into the United States shall be subject to forfeiture; and the master of such vessel or the person in charge of such vehicle, or the person importing or bringing in merchandise otherwise than in a vessel or vehicle, shall, in addition to any other penalty, be liable to a penalty equal to the value of the merchandise which was not reported, or not included in the manifest, or which was discharged or landed without a permit. If any vessel or vehicle not so reported carries any passenger; or if any passenger is discharged or landed from any such vessel or vehicle before it is so reported, or after such report but without a permit; the master of the vessel or the person in charge of the vehicle shall, in addition to any other penalty, be liable to a penalty of \$500 for each passenger so carried, discharged, or landed."

SEC. 11. The Tariff Act of 1930 is hereby amended by adding at the end of part II of title IV thereof a new section to read as follows:

46 Stat. 719.

“SEC. 467. SPECIAL INSPECTION, EXAMINATION, AND SEARCH.

“Whenever a vessel from a foreign port or place or from a port or place in any Territory or possession of the United States arrives at a port or place in the United States or the Virgin Islands, whether directly or via another port or place in the United States or the Virgin Islands, the collector of customs for such port or place of arrival may, under such regulations as the Secretary of the Treasury may prescribe and for the purpose of assuring compliance with any law, regulation, or instruction which the Secretary of the Treasury or the Customs Service is authorized to enforce, cause inspection, examination, and search to be made of the persons, baggage, and merchandise discharged or unladen from such vessel, whether or not any or all such persons, baggage, or merchandise has previously been inspected, examined, or searched by officers of the customs.”

Special inspection, examination, and search of persons, baggage, or merchandise.

SEC. 12. The last sentence of subsection (f) of section 484 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1484) is hereby amended to read as follows: “All other merchandise arriving on one vessel or vehicle and consigned to one consignee shall be included in one entry, unless the Secretary of the Treasury shall authorize the inclusion of portions of such merchandise in separate entries under such rules and regulations as he may prescribe.”

46 Stat. 723.  
19 U. S. C. § 1484 (f).  
Separate entries for portions of a shipment.

SEC. 13. Section 485 (f) of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1485 (f)) is hereby amended by changing the last comma therein to a period; by striking out the words “or by any other person specifically authorized by any officer of such corporation to make the same”; and by inserting in lieu of the deleted words a new sentence to read as follows: “Whether the consignee is an individual, a partnership, or a corporation, the declaration may be made by any person who has knowledge of the facts and who is specifically authorized by such individual, a member of such partnership, or an officer of such corporation to make such declaration.”

46 Stat. 724.  
19 U. S. C. § 1485 (f).

Declarations by persons authorized by consignee.

SEC. 14. (a) So much of section 491 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1491) as precedes the words “shall be considered unclaimed and abandoned” is hereby amended to read as follows: “Any entered or unentered merchandise (except merchandise entered under section 557 of this Act, but including merchandise entered for transportation in bond or for exportation) which shall remain in customs custody for one year from the date of importation thereof, without all estimated duties and storage or other charges thereon having been paid,”

46 Stat. 726.  
19 U. S. C. § 1491.

Unclaimed merchandise, definition modified.

46 Stat. 744.  
19 U. S. C. § 1557.

(b) Such section 491 is further amended by adding the following new sentences at the end thereof: “Merchandise subject to sale hereunder or under section 559 of this Act may be entered or withdrawn for consumption at any time prior to such sale upon payment of all duties, storage, and other charges, and expenses that may have accrued thereon, but such merchandise after becoming subject to sale may not be exported prior to sale without the payment of such duties, charges, and expenses nor may it be entered for warehouse. The computation of duties for the purposes of this section and sections 493 and 559 of this Act shall be at the rate or rates applicable at the time the merchandise becomes subject to sale.”

Entry or withdrawal of unclaimed merchandise; conditions.

46 Stat. 744.  
19 U. S. C. § 1559.

Computation of duties; rates.

46 Stat. 727, 744.  
19 U. S. C. §§ 1493, 1559.

46 Stat. 728.  
19 U. S. C. § 1499.  
Examination of merchandise.

Security before delivery from customs custody.

46 Stat. 728.  
19 U. S. C. § 1499.  
Examination of less than usual portion; restriction.

Publication of regulations, etc.

Validity of appraisal where less than statutory quantity examined.

46 Stat. 730.  
19 U. S. C. § 1501.

Appeal for reappraisal, determination of value by Customs Court.

Paragraphs redesignated.

Assignment of protest to a single judge for determination if Court declares appraisal invalid.

46 Stat. 735.  
19 U. S. C. § 1516 (b).

Classification, rate of duty, etc.

SEC. 15. Section 499 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1499) is hereby amended by striking out from the first sentence thereof the words "except as otherwise provided in this Act" and inserting in lieu thereof the words "except under such bond or other security as may be prescribed by the Secretary of the Treasury to assure compliance with all applicable laws, regulations, and instructions which the Secretary of the Treasury or the Customs Service is authorized to enforce".

SEC. 16. (a) Section 499 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1499) is hereby further amended by inserting after the word "regulation" in the third sentence thereof the following: "or instruction, the application of which may be restricted to one or more individual ports or to one or more importations or one or more classes of merchandise"; by adding after the third sentence thereof the following new sentence: "All such special regulations or instructions shall be published in the weekly Treasury Decisions within fifteen days after issuance and before the liquidation of any entries affected thereby."; and by adding at the end of such section the following new paragraph:

"No appraisal made after the effective date of the Customs Administrative Act of 1938 shall be held invalid on the ground that the required number of packages or the required quantity of the merchandise was not designated for examination or, if designated, was not actually examined, unless the party claiming such invalidity shall establish that merchandise in the packages or quantities not designated for examination, or not actually examined, was different from that actually examined and that the difference was such as to establish the incorrectness of the appraiser's return of value; and then only as to the merchandise for which the value returned by the appraiser is shown to be incorrect."

(b) Section 501 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1501) is hereby amended by striking out the fourth sentence of the first paragraph thereof and inserting in lieu thereof the following: "Every such appeal shall be transmitted with the entry and the accompanying papers by the collector to the United States Customs Court and shall be assigned to one of the judges, who shall in every case, notwithstanding that the original appraisal may for any reason be held invalid or void and that the merchandise or samples thereof be not available for examination, after affording the parties an opportunity to be heard on the merits, determine the value of the merchandise from the evidence in the entry record and that adduced at the hearing."; and such section 501 is further amended by designating the present two paragraphs thereof as subsections (a) and (b), respectively, and by adding after such subsections a new subsection (c) to read as follows:

"(c) If upon the hearing of a protest, the United States Customs Court shall declare an appraisal of merchandise made after the effective date of the Customs Administrative Act of 1938 to have been invalid or void, it shall remand the matter to a single judge, who shall proceed to determine the proper dutiable value of such merchandise in the manner provided for by this section. In such proceeding no presumption of correctness shall attach to the invoice or entered values."

SEC. 17. (a) Subsection (b) of section 516 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1516 (b)) is hereby amended to read as follows:

"(b) CLASSIFICATION.—The Secretary of the Treasury shall, upon written request by an American manufacturer, producer, or wholesaler, furnish the classification of, and the rate of duty, if any,

imposed upon, designated imported merchandise of a class or kind manufactured, produced, or sold at wholesale by him. If such manufacturer, producer, or wholesaler believes that the proper rate of duty is not being assessed, he may file a complaint with the Secretary, setting forth a description of the merchandise, the classification, and the rate or rates of duty he believes proper, and the reasons for his belief. If the Secretary decides that the classification of, or rate of duty assessed upon, the merchandise is not correct, he shall notify the collectors as to the proper classification and rate of duty and shall so inform the complainant, and such rate of duty shall be assessed upon all such merchandise entered for consumption or withdrawn from warehouse for consumption after thirty days after the date such notice to the collectors is published in the weekly Treasury Decisions. If the Secretary decides that the classification and rate of duty are correct, he shall so inform the complainant. If dissatisfied with the decision of the Secretary, the complainant may file with the Secretary, not later than thirty days after the date of such decision, notice that he desires to protest the classification of, or rate of duty assessed upon, the merchandise. Upon receipt of such notice from the complainant, the Secretary shall cause publication to be made of his decision as to the proper classification and rate of duty and of the complainant's desire to protest, and shall thereafter furnish the complainant with such information as to the entries and consignees of such merchandise, entered after the publication of the decision of the Secretary at the port of entry designated by the complainant in his notice of desire to protest, as will enable the complainant to protest the classification of, or rate of duty imposed upon, such merchandise in the liquidation of such an entry at such port. The Secretary shall direct the collector at such port to notify such complainant immediately when the first of such entries is liquidated. Within thirty days after the date of mailing to the complainant of notice of such liquidation, the complainant may file with the collector at such port a protest in writing setting forth a description of the merchandise and the classification and rate of duty he believes proper. Notwithstanding such protest is filed, merchandise of the character covered by the published decision of the Secretary, when entered for consumption or withdrawn from warehouse for consumption on or before the date of publication of a decision of the United States Customs Court or of the United States Court of Customs and Patent Appeals, rendered under the provisions of subsection (c) of this section, not in harmony with the published decision of the Secretary, shall be classified and the entries liquidated in accordance with such decision of the Secretary, and, except as otherwise provided in this Act, the liquidations of such entries shall be final and conclusive upon all parties. If the protest of the complainant is sustained in whole or in part by a decision of the United States Customs Court or of the United States Court of Customs and Patent Appeals, merchandise of the character covered by the published decision of the Secretary, which is entered for consumption or withdrawn from warehouse for consumption after the date of publication of such court decision, shall be subject to classification and assessment of duty in accordance with the final judicial decision on the complainant's protest, and the liquidation of entries covering such merchandise so entered or withdrawn shall be suspended until final disposition is made of such protest, whereupon such entries shall be liquidated, or if necessary, reliquidated in accordance with such final decision. Every proceeding arising under this subsection shall be given precedence over other cases on the dockets of the United

Filing of complaint.

Action by Secretary if classification or rate not correct.

If correct.

Filing of notice of protest.

Publication of decision.

Notice to complainant.

Filing of protest.

If protest sustained.

Preferred status of proceedings on dockets of designated courts.

States Customs Court and the United States Court of Customs and Patent Appeals, and shall be assigned for hearing and trial at the earliest practicable date and expedited in every way."

46 Stat. 735.  
19 U. S. C. § 1516(b).

Complaints filed before effective date.

(b) The provisions of subsection (b) of section 516 of the Tariff Act of 1930, as amended by this Act, shall apply only in the case of complaints filed after the effective date of this Act. The provisions of subsection (b) of section 516 of the Tariff Act of 1930, as in force prior to the effective date of this Act, shall continue in force with respect to any proceedings commenced by the filing of a complaint thereunder, except that upon the expiration of thirty days after the effective date of this Act, or upon the expiration of thirty days after the date of a decision of the Secretary adverse to the complainant, whichever is the later, any such proceedings in which a protest has not been duly filed shall be deemed to have been terminated unless the complainant shall have filed with the Secretary after the effective date of this Act a notice that he desires to protest the classification of, or rate of duty assessed upon, the merchandise.

Obligations under trade agreements not affected.

48 Stat. 943.  
19 U. S. C. § 1351.

46 Stat. 739.  
19 U. S. C. § 1520.  
48 Stat. 1225.  
31 U. S. C. § 725a.

(c) The provisions of subsection (b) of section 516 of the Tariff Act of 1930, as amended by this Act, shall not apply with respect to any article of a class or kind which is named or described in any obligation undertaken by the United States in a foreign trade agreement entered into under section 350 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1351).

SEC. 18. Section 520 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1520), as amended by section 2 of the Permanent Appropriation Repeal Act, 1934 (U. S. C., 1934 edition, title 31, sec. 725a), is hereby further amended to read as follows:

"SEC. 520. REFUNDS AND ERRORS.

Refunds and errors.

"(a) The Secretary of the Treasury is hereby authorized to refund duties or other receipts in the following cases:

Excess deposits.

"(1) EXCESS DEPOSITS.—Whenever it is ascertained on liquidation or reliquidation of an entry that more money has been deposited or paid as duties than was required by law to be so deposited or paid;

Fees, charges, and exactions.

"(2) FEES, CHARGES, AND EXACTIONS.—Whenever it is determined in the manner required by law that any fees, charges, or exactions, other than duties and taxes, have been erroneously or excessively collected; and

Fines, penalties, and forfeitures.

"(3) FINES, PENALTIES, AND FORFEITURES.—Whenever money has been deposited in the Treasury on account of a fine, penalty, or forfeiture which did not accrue, or which is finally determined to have accrued in an amount less than that so deposited, or which is mitigated to an amount less than that so deposited or is remitted.

Appropriations authorized.

"(b) The necessary moneys to make such refunds are hereby authorized to be appropriated annually from the general fund of the Treasury.

Reliquidation of entry.

"(c) Notwithstanding a valid protest was not filed, the Secretary of the Treasury may authorize a collector to reliquidate an entry to correct—

Correction of clerical errors.

"(1) A clerical error in any entry or liquidation discovered within one year after the date of entry, or within sixty days after liquidation when liquidation is made more than ten months after the date of entry; or

Correction of assessment on nondutiable household or personal effects.

"(2) Any assessment of duty on household or personal effects which by law were not subject to duty and in respect of which an application for refund has been filed with the collector within one year after the date of entry."

SEC. 19. (a) Section 1 of the Act of June 19, 1886, as amended (U. S. C., 1934 edition, title 46, sec. 331), is hereby further amended by adding a comma and the following words after the words "Measurement of tonnage and certifying the same" and before the semicolon in the first sentence thereof: "except that the compensation and necessary travel and subsistence expenses of the officers so measuring or certifying such vessels at the request of the owners thereof at a place other than a port of entry or a customs station shall be paid by such owners".

(b) Section 524 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1524) is hereby amended to read as follows:

"Receipts for any reimbursable charges or expenses which have been paid for out of any appropriation for collecting the revenue from customs shall be deposited as a refund to such appropriation instead of being covered into the Treasury as miscellaneous receipts, as provided by the Act entitled 'An Act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1908, and for other purposes', approved March 4, 1907."

SEC. 20. The Tariff Act of 1930 is hereby amended by adding at the end of part III of title IV thereof a new section, to read as follows:

**"SEC. 528. TAXES NOT TO BE CONSTRUED AS DUTIES.**

"No tax or other charge imposed by or pursuant to any law of the United States shall be construed to be a customs duty for the purpose of any statute relating to the customs revenue, unless the law imposing such tax or charge designates it as a customs duty or contains a provision to the effect that it shall be treated as a duty imposed under the customs laws. Nothing in this section shall be construed to limit or restrict the jurisdiction of the United States Customs Court or the United States Court of Customs and Patent Appeals."

SEC. 21. Section 553 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1553) is hereby amended by adding the following at the end thereof: "In places where no bonded common-carrier facilities are reasonably available, such merchandise may be so transported otherwise than by a bonded common carrier under such regulations as the Secretary of the Treasury shall prescribe."

SEC. 22. (a) Section 557 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1557) is hereby further amended by inserting before the colon preceding the proviso in the first paragraph thereof the words "or elsewhere, or for transfer to another bonded warehouse at the same port"; by eliminating the phrase "99 per centum of" from the last sentence of the said paragraph; by designating the present paragraphs thereof as subsections (a) and (c), respectively; and by inserting between such subsections a new subsection (b) to read as follows:

"(b) The right to withdraw any merchandise entered in accordance with subsection (a) of this section for the purposes specified in such subsection may be transferred upon compliance with regulations prescribed by the Secretary of the Treasury. So long as any such transfer remains unrevoked the transferee shall have, with respect to the merchandise the subject of the transfer, all rights to file protests, and to the privileges provided for in this section and in sections 562 and 563 of this Act which would otherwise be possessed by the transferor. The transferee shall also have the right to receive all lawful refunds of moneys paid by him to the United States with respect to the merchandise and no revocation

24 Stat. 79.  
46 U. S. C. § 331.  
Shipping fees.

Compensation, etc.,  
of officers measuring  
or certifying vessels  
at other than ports  
of entry, etc.

46 Stat. 741.  
19 U. S. C. § 1524.

Deposit of receipts  
for reimbursable  
charges.

34 Stat. 1315.  
19 U. S. C. § 527.

46 Stat. 742.

Taxes not to be  
construed as duties.

Jurisdiction of desig-  
nated customs courts.

46 Stat. 742.  
19 U. S. C. § 1553.

Transportation of  
merchandise by other  
than bonded common  
carrier.

46 Stat. 744.  
19 U. S. C. § 1557.

Transfer to another  
warehouse at same  
port.  
Refund of duties.

Transfer of right to  
withdraw imports en-  
tered for warehouse.

Rights of transferee.

46 Stat. 745, 746.  
19 U. S. C. §§ 1562,  
1563.  
Refunds of pay-  
ments.

Irrevocable transfer; bond, conditions, etc.

of any transfer shall deprive him of this right. Any such transfer may be made irrevocable by the filing of a bond of the transferee in such amount and with such conditions as the Secretary of the Treasury shall prescribe, including an obligation to pay all unpaid regular, increased, and additional duties, charges, and exactions on the merchandise the subject of the transfer. Upon the filing of such bond the transferor shall be relieved from liability for the payment of duties, charges, and exactions on the merchandise the subject of the transfer, but shall remain bound by all other unsatisfied conditions of his bond."

Retroactive provision.

(b) On and after the effective date of this Act, this section shall be effective with respect to merchandise entered for warehouse prior to, as well as after, such date.

46 Stat. 744, 746.  
19 U. S. C. §§ 1557, 1559, 1563.  
Time limitation, storage of imported grain, repealed.

SEC. 23. (a) Section 557 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1557) is hereby further amended and sections 559 and 563 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, secs. 1559 and 1563) are hereby amended by deleting "(or ten months in the case of grain)" wherever appearing in such sections.

Grain imported prior to effective date and not abandoned.

(b) The amendments made by subsection (a) of this section shall apply in the case of grain imported prior to the effective date of this Act which, on such date, has not become abandoned to the Government under section 491 or 559 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1491 or 1559), and which has remained in the custody of customs officers.

46 Stat. 726, 744.  
19 U. S. C. §§ 1491, 1559.

46 Stat. 744.  
19 U. S. C. § 1558.

SEC. 24. Section 558 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1558) is hereby amended to read as follows:

No remission or refund after release of merchandise.

**"SEC. 558. NO REMISSION OR REFUND AFTER RELEASE OF MERCHANDISE.**

Drawback, etc., restrictions.

"(a) No remission, abatement, refund, or drawback of estimated or liquidated duty shall be allowed because of the exportation or destruction of any merchandise after its release from the custody of the Government, except in the following cases:

Exceptions.  
Exports where drawback is expressly provided.  
Prohibited articles, subsequently exported or destroyed.

"(1) When articles are exported with respect to which a drawback of duties is expressly provided for by law;

"(2) When prohibited articles have been regularly entered in good faith and are subsequently exported or destroyed pursuant to a law of the United States and under such regulations as the Secretary of the Treasury may prescribe; and

Imports under bond destroyed within bonded period.  
46 Stat. 744.  
19 U. S. C. § 1557.

"(3) When articles entered under bond, under any provision of law, are destroyed within the bonded period as provided for in section 557 of this Act, or are destroyed within the bonded period by death, accidental fire, or other casualty, and proof of such destruction is furnished which shall be satisfactory to the Secretary of the Treasury, in which case any accrued duties shall be remitted or refunded and any condition in the bond that the articles shall be exported shall be deemed to have been satisfied.

Articles exported or destroyed after release from customs custody; payment of duties.  
46 Stat. 687.  
19 U. S. C. § 1304.

"(b) When articles are exported or destroyed under customs supervision after once having been released from customs custody, as provided for in subsection (c) of section 304 of this Act, such exportation or destruction shall not exempt such articles from the payment of duties other than the marking duty provided for in such subsection (c)."

46 Stat. 745.  
19 U. S. C. § 1562.

SEC. 25. Section 562 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1562) is amended by adding the following new sentence at the end thereof: "Under such regulations as the Secretary of the Treasury shall prescribe, imported merchandise which has been entered and which has remained in continuous customs custody may

Manipulation in other than a bonded warehouse.

be manipulated in accordance with the provisions of this section under customs supervision and at the risk and expense of the consignee, but elsewhere than in a bonded warehouse, in cases where neither the protection of the revenue nor the proper conduct of customs business requires that such manipulation be done in a bonded warehouse."

SEC. 26. So much of section 598 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1598) as precedes the first semicolon therein is hereby amended to read as follows: "If any unauthorized person affixes, attaches, or in any way willfully assists or encourages the affixing or attaching of a customs seal, fastening, or mark, or any seal, fastening, or mark purporting to be a customs seal, fastening, or mark to any vessel, vehicle, warehouse, or package".

SEC. 27. Section 603 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1603) is hereby amended to read as follows:

**"SEC. 603. SAME—COLLECTOR'S REPORTS.**

"Whenever a seizure of merchandise for violation of the customs laws is made, or a violation of the customs laws is discovered, and legal proceedings by the United States attorney in connection with such seizure or discovery are required, it shall be the duty of the collector or the principal local officer of the Customs Agency Service to report such seizure or violation to the United States attorney for the district in which such violation has occurred, or in which such seizure was made, and to include in such report a statement of all the facts and circumstances of the case within his knowledge, with the names of the witnesses and a citation to the statute or statutes believed to have been violated, and on which reliance may be had for forfeiture or conviction."

SEC. 28. (a) Section 607 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1607) is hereby amended by striking out the words "forfeit and sell the same" and inserting in lieu thereof the words "forfeit and sell or otherwise dispose of the same according to law".

(b) Section 609 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1609) is hereby amended by adding the words "or otherwise dispose of the same according to law" after the words "in the same manner as merchandise abandoned to the United States is sold".

SEC. 29. Section 613 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1613) is hereby amended by inserting the word "and" after the semicolon at the end of subdivision (2) thereof, by deleting subdivision (3) thereof, and by redesignating subdivision (4) thereof as subdivision (3).

SEC. 30. Section 623 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1623) is hereby amended to read as follows:

**"SEC. 623. BONDS AND OTHER SECURITY.**

"(a) In any case in which bond or other security is not specifically required by law, the Secretary of the Treasury may by regulation or specific instruction require, or authorize collectors of customs to require, such bonds or other security as he, or they, may deem necessary for the protection of the revenue or to assure compliance with any provision of law, regulation, or instruction which the Secretary of the Treasury or the Customs Service may be authorized to enforce.

"(b) Whenever a bond is required or authorized by a law, regulation, or instruction which the Secretary of the Treasury or the

46 Stat. 752.  
19 U. S. C. § 1598.

Offenses relating to seals.

46 Stat. 754.  
19 U. S. C. § 1603.

Collector's reports.

To United States attorney if action by him required.

Statement to be included.

46 Stat. 754.  
19 U. S. C. § 1607.

Disposition of customs seizures.

46 Stat. 755.  
19 U. S. C. § 1609.

46 Stat. 756.  
19 U. S. C. § 1613.

46 Stat. 759.  
19 U. S. C. § 1623.

Bonds and other security.

Regulations.

Customs Service is authorized to enforce, the Secretary of the Treasury may—

Conditions and form of bond, etc.

“(1) Except as otherwise specifically provided by law, prescribe the conditions and form of such bond, and fix the amount of penalty thereof, whether for the payment of liquidated damages or of a penal sum: *Provided*, That when a consolidated bond authorized by paragraph 4 of this subsection is taken, the Secretary of the Treasury may fix the penalty of such bond without regard to any other provision of law, regulation, or instruction.

*Proviso.*  
Consolidated bonds.

Sureties.

“(2) Provide for the approval of the sureties on such bond, without regard to any general provision of law.

Term bonds.

“(3) Authorize the execution of a term bond the conditions of which shall extend to and cover similar cases of importations over such period of time, not to exceed one year, or such longer period as he may fix when in his opinion special circumstances existing in a particular instance require such longer period.

Consolidated bond (single entry or term) in lieu of separate bonds.

“(4) Authorize, to the extent that he may deem necessary, the taking of a consolidated bond (single entry or term), in lieu of separate bonds to assure compliance with two or more provisions of law, regulations, or instructions which the Secretary of the Treasury or the Customs Service is authorized to enforce. A consolidated bond taken pursuant to the authority contained in this subsection shall have the same force and effect in respect of every provision of law, regulation, or instruction for the purposes for which it is required as though separate bonds had been taken to assure compliance with each such provision.

Cancellation in event of breach of any condition.

“(c) The Secretary of the Treasury may authorize the cancellation of any bond provided for in this section, or of any charge that may have been made against such bond, in the event of a breach of any condition of the bond, upon the payment of such lesser amount or penalty or upon such other terms and conditions as he may deem sufficient.

Condition not invalid on ground it is not specified in the law.

“(d) No condition in any bond taken to assure compliance with any law, regulation, or instruction which the Secretary of the Treasury or the Customs Service is authorized to enforce shall be held invalid on the ground that such condition is not specified in the law, regulation, or instruction authorizing or requiring the taking of such bond.

Acceptance of Federal securities in lieu of sureties on bond.

“(e) The Secretary of the Treasury is authorized to permit the deposit of money or obligations of the United States, in such amount and upon such conditions as he may by regulation prescribe, in lieu of sureties on any bond required or authorized by a law, regulation, or instruction which the Secretary of the Treasury or the Customs Service is authorized to enforce.”

46 Stat. 635.  
19 U. S. C. § 1001,  
par. 741.

Dates; packing,  
duty.

SEC. 31. Paragraph 741 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1001, par. 741) is hereby amended by deleting the words “in packages weighing with the immediate container” and inserting in lieu thereof the words “packed in units of any description weighing (with the immediate container, if any)”.

46 Stat. 640.  
19 U. S. C. § 1001,  
par. 813.

Breakage, etc., allowance.

SEC. 32. Paragraph 813 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1001, par. 813) is hereby amended by deleting the word “five” and inserting in lieu thereof the word “fifteen”.

46 Stat. 646.  
19 U. S. C. § 1001,  
par. 1101.

Wools and manufactures of.  
Redesignations of subparagraphs.

SEC. 33. (a) Paragraph 1101 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1001, par. 1101) is hereby amended by redesignating subparagraph (b) thereof as subparagraph (c), by changing the colon at the end of the first proviso in subparagraph (a) thereof to a period and deleting all the matter in such subparagraph (a) following such colon, and by inserting in such paragraph a new subparagraph (b), to read as follows:

“(b) Any of the foregoing may be entered or withdrawn from warehouse without the payment of duty by a manufacturer, processor, or dealer upon the filing of a bond to insure that any wool or hair entered or withdrawn thereunder shall be used only in the manufacture of press cloth, camel’s hair belting, knit or felt boots, heavy fulled lumbermen’s socks, rugs, carpets, or any other floor coverings. A manufacturer, processor, or dealer may be relieved of liability under his bond with respect to any wool or hair so entered or withdrawn which is transferred in its imported or any other form to another manufacturer, processor, or dealer who has filed a bond to insure that the merchandise so transferred shall be used only in the manufacture of the above-enumerated articles. If any wool or hair so entered, withdrawn, or transferred under bond is used or transferred for use in its imported or any other form in any manner otherwise than in the manufacture of the articles enumerated above, there shall be levied, collected, and paid on the merchandise so used or transferred in violation of the bond the regular duties which would apply to such merchandise if imported in its condition at the time of such use or transfer. Such duties shall be paid by the manufacturer, processor, or dealer whose bond is charged with the wool or hair at the time of such use or transfer; but such duties shall not be levied or collected on any merchandise (except white soft wastes, white threads and noils, which shall be dutiable at seven-eighths of such regular duties when used or transferred for use otherwise than in the manufacture of the enumerated articles) resulting in the usual course of manufacture of such enumerated manufactured articles which cannot be used (with or without further preparation) in the usual course of the manufacture of such enumerated articles, or which is exported or destroyed. When any wool or hair which has been entered or withdrawn under bond as provided for in this subparagraph is used or transferred for use, in its imported or any other form, otherwise than in the manufacture of the above-enumerated articles and prior to such use or transfer there shall have been combined or mixed with such wool or hair any other merchandise, the whole or the combination or mixture shall be presumed to be composed of wool or hair entered or withdrawn under bond, as provided for in this subparagraph, unless the manufacturer, processor, or dealer liable for the payment of the duties shall establish the quantity of bonded wool or hair in such combination or mixture. Every manufacturer, processor, or dealer who has given a bond pursuant to the provisions of this subparagraph shall report any use or transfer of merchandise in violation of the terms of his bond, within thirty days after such use or transfer, to the collector of customs in whose district the bond is filed; and for failure to so report, such manufacturer, processor, or dealer shall be liable to a penalty equal to the value of the merchandise so used or transferred at the time and place of such use or transfer. Such penalty shall be in addition to the duties above provided for. The Secretary of the Treasury is authorized to prescribe such regulations and the form, conditions, and amounts of such bonds as may be necessary to carry into effect the provisions of this subparagraph.”

(b) The provisions of paragraph 1101 of the Tariff Act of 1930, as amended by this Act, with respect to wool or hair entered under bond for use in the manufacture of articles enumerated in such paragraph, shall apply with respect to wool or hair under bond on the effective date of this Act, as well as with respect to wool or hair thereafter imported.

SEC. 34. (a) Paragraph 1111 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1001, par. 1111) is hereby amended by deleting therefrom the phrase “of blanketing.”

Withdrawal under bond to insure use only in enumerated manufactures.

Release of liability on transfer, etc.

Duties if used or transferred for other purposes, etc.

Payment.

Bonded wool or hair combined with other merchandise.

Report of violations.

Penalty for failure to report.

Regulations, bond, etc.

46 Stat. 646.  
19 U. S. C. § 1001,  
par. 1101.  
Wool or hair under bond on effective date of Act.

46 Stat. 649.  
19 U. S. C. § 1001,  
par. 1111.  
Phrase deleted.

46 Stat. 649.  
19 U. S. C. § 1001,  
par. 1115 (b).  
47 Stat. 2438.  
Forms for hats  
wholly or chiefly wool;  
duty.

46 Stat. 665.  
19 U. S. C. § 1001,  
par. 1529 (a).  
Textual amend-  
ment.

46 Stat. 695.  
19 U. S. C. § 1314.  
Section repealed.  
46 Stat. 674.  
19 U. S. C. § 1201,  
par. 1615.  
Paragraph amend-  
ed.

Free list.  
Domestic articles re-  
turned by exporter.

Outer containers of  
domestic or foreign  
manufacture.

Photographic dry  
plates and films, etc.;  
exception.

Exceptions.

Article on which  
drawback has been  
made.

46 Stat. 693.  
19 U. S. C. § 1313.

Where tax imposed  
at time article is  
entered, etc., for con-  
sumption.  
Condition.

Articles produced,  
etc., in bonded ware-  
house and exported.

46 Stat. 673.  
19 U. S. C. § 1201,  
par. 1606(c).

Reimportations.

(b) Paragraph 1115 (b) of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1001, par. 1115 (b)), as modified by the President's proclamation of March 16, 1931 (Proclamation Numbered 1941, 47 Stat. 2438), is hereby amended by striking out the words "manufactured wholly or in part of wool felt" and inserting in lieu thereof the words "wholly or in chief value of wool but not knit or crocheted nor made in chief value of knit, crocheted, or woven material."

(c) Paragraph 1529 (a) of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1001, par. 1529 (a)) is hereby amended by inserting "1116 (a)," after the figure "1111".

SEC. 35. Section 314 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1314) is hereby repealed, and paragraph 1615 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1201, par. 1615) is hereby amended to read as follows:

"PAR. 1615. (a) Articles, the growth, produce, or manufacture of the United States, when returned after having been exported, without having been advanced in value or improved in condition by any process of manufacture or other means.

"(b) Steel boxes, casks, barrels, carboys, bags, quicksilver flasks or bottles, metal drums, and other substantial outer containers of domestic or foreign manufacture, exported empty and returned as usual containers or coverings of merchandise, or exported filled with products of the United States and returned empty or as the usual containers or coverings of merchandise, including shooks and staves produced in the United States when returned as boxes or barrels in use as the usual containers of merchandise.

"(c) Photographic dry plates and films of the manufacture of the United States (except moving-picture films to be used for commercial purposes), exposed abroad, whether developed or not.

"(d) Photographic films light struck or otherwise damaged, or worn out, so as to be unsuitable for any other purposes than the recovery of the constituent materials, provided the basic films are of the manufacture of the United States.

"(e) The foregoing provisions of this paragraph shall not apply to—

"(1) Any article upon which an allowance of drawback has been made under section 313 of this Act or a corresponding provision of a prior tariff Act, unless such article is in use at the time of importation as the usual container or covering of merchandise not subject to an ad-valorem rate of duty;

"(2) Any article of a kind with respect to the importation of which an internal-revenue tax is imposed at the time such article is entered for consumption or withdrawn from warehouse for consumption, unless such article was subject to an internal-revenue tax imposed upon production or importation at the time of its exportation from the United States and it shall be proved that such tax was paid before exportation and not refunded;

"(3) Any article manufactured or produced in a customs bonded warehouse in the United States and exported under any provision of law; or

"(4) Any article made dutiable under the provisions of paragraph 1606 (c) of this Act.

"(f) Upon the entry for consumption or withdrawal from warehouse for consumption of any article previously exported, which is excepted from free entry under this paragraph by the foregoing subparagraph (e) and is not otherwise exempted from the payment of duty, there shall be levied, collected, and paid thereon, in lieu of any other duty or tax, a duty equal to the total duty and internal-revenue tax, if any, then imposed with respect to the importation of like

articles not previously exported from the United States, but in no case in excess of the sum of customs draw-back, if any, proved to have been allowed upon the exportation of such article from the United States plus the amount of the internal-revenue tax, if any, imposed at the time such article is entered for consumption or withdrawn from warehouse for consumption upon the importation of like articles not previously exported from the United States. Manufactured tobacco subject to duty hereunder shall be retained in customs custody until internal-revenue stamps in payment of any part of the legal duties measured by a rate or amount of internal-revenue tax shall have been placed thereon.

“(g) Any article exported from the United States for repairs or alterations may be returned upon the payment of a duty upon the value of the repairs or alterations at the rate or rates which would apply to the article itself in its repaired or altered condition if not within the purview of this subparagraph.

“(h) The allowance of total or partial exemption from duty under any provision of this paragraph shall be subject to such regulations as to proof of identity and compliance with the conditions of this paragraph as the Secretary of the Treasury may prescribe.”

SEC. 36. Paragraph 1798 of the Tariff Act of 1930, as amended (U. S. C., 1934 edition, Supp. III, title 19, sec. 1201, par. 1798), is hereby further amended by striking out the third and fourth provisos thereof and inserting in lieu thereof the following: “*Provided further*, That up to but not exceeding \$100 in value of articles (including distilled spirits, wines, and malt liquors aggregating not more than one wine gallon and including not more than one hundred cigars) acquired abroad by such residents of the United States as an incident of the foreign journey for personal or household use or as souvenirs or curios, but not bought on commission or intended for sale, shall be free of duty: *Provided further*, That (a) in the case of articles acquired in any country other than a contiguous country which maintains a free zone or free port, the exemption authorized by the preceding proviso shall apply only to articles so acquired by a returning resident who has remained beyond the territorial limits of the United States for a period of not less than forty-eight hours and (b) in the case of articles acquired in a contiguous country which maintains a free zone or free port, the Secretary of the Treasury shall by special regulation or instruction, the application of which may be restricted to one or more individual ports of entry, provide that the exemption authorized by the preceding proviso shall be applied only to articles acquired abroad by a returning resident who has remained beyond the territorial limits of the United States for not less than such period (which period shall not exceed twenty-four hours) as the Secretary may deem necessary in the public interest or to facilitate enforcement at the specified port or ports of the requirement that the exemption shall apply only to articles acquired as an incident of the foreign journey: *Provided further*, That the exemption authorized by the second preceding proviso shall apply only to articles declared in accordance with regulations to be prescribed by the Secretary of the Treasury by a returning resident who has not taken advantage of the said exemption within the thirty-day period immediately preceding his return to the United States: *Provided further*, That no such special regulation or instruction shall take effect until the lapse of ninety days after the date of such special regulation or instruction: *And provided further*, That all articles exempted by this paragraph from the payment of duty shall also be exempt from the payment of any internal-revenue taxes.”

Articles exported for repairs or alterations.

Regulations for allowance of exemptions.

46 Stat. 683; 49 Stat. 1959.  
19 U. S. C., Supp. III, § 1201, par. 1798.

*Provisos.*  
Allowance, articles brought in by U. S. residents for personal use, etc.

Articles acquired in country other than a contiguous country maintaining free zone or free port.

Contiguous country which maintains free zone or port.

Application of exemptions restricted.

Special regulations, etc., effective date.

Exemption of articles from internal revenue taxes.

Effective dates of provisions.  
*Ante*, pp. 1090, 1091.

SEC. 37. Sections 31 and 34 of this Act shall take effect on the date of enactment of this Act. Except as otherwise specially provided in this Act, the remainder of this Act shall take effect on the thirtieth day following the date of its enactment.

Approved, June 25, 1938, 5 p. m., E. S. T.

## [CHAPTER 680]

## AN ACT

June 25, 1938  
[H. R. 10127]  
[Public, No. 722]

To regulate interstate commerce by establishing an unemployment insurance system for individuals employed by certain employers engaged in interstate commerce, and for other purposes.

Railroad Unemployment Insurance Act.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## Definitions.

## DEFINITIONS

Meaning of terms, except in amending other Acts.  
"Employer."

SECTION 1. For the purposes of this Act, except when used in amending the provisions of other Acts—

*Proviso.*  
Street, interurban, or suburban electric railways.

(a) The term "employer" means any carrier (as defined in subsection (b) of this section), and any company which is directly or indirectly owned or controlled by one or more such carriers or under common control therewith, and which operates any equipment or facility or performs any service (except trucking service, casual service, and the casual operation of equipment or facilities) in connection with the transportation of passengers or property by railroad, or the receipt, delivery, elevation, transfer in transit, refrigeration or icing, storage, or handling of property transported by railroad, and any receiver, trustee, or other individual or body, judicial or otherwise, when in the possession of the property or operating all or any part of the business of any such employer: *Provided, however,* That the term "employer" shall not include any street, interurban, or suburban electric railway, unless such railway is operating as a part of a general steam-railroad system of transportation, but shall not exclude any part of the general steam-railroad system of transportation now or hereafter operated by any other motive power. The Interstate Commerce Commission is hereby authorized and directed upon request of the Board, or upon complaint of any party interested, to determine after hearing whether any line operated by electric power falls within the terms of this proviso. The term "employer" shall also include railroad associations, traffic associations, tariff bureaus, demurrage bureaus, weighing and inspection bureaus, collection agencies, and other associations, bureaus, agencies, or organizations controlled and maintained wholly or principally by two or more employers as hereinbefore defined and engaged in the performance of services in connection with or incidental to railroad transportation; and railway labor organizations, national in scope, which have been or may be organized in accordance with the provisions of the Railway Labor Act, and their State and National legislative committees and their general committees and their insurance departments and their local lodges and divisions, established pursuant to the constitution and bylaws of such organizations.

Lines operated by electric power, classification.

Inclusion of railroad associations, etc.

44 Stat. 577.  
45 U. S. C. ch. 8;  
Supp. III, ch. 8.

"Carrier."  
24 Stat. 379.  
49 U. S. C. ch. 1;  
Supp. III, ch. 1.

"Company."

"Employee."

(b) The term "carrier" means an express company, sleeping-car company, or carrier by railroad, subject to part I of the Interstate Commerce Act.

(c) The term "company" includes corporations, associations, and joint-stock companies.

(d) The term "employee" (except when used in phrases establishing a different meaning) means any individual who is or has been (i) in the service of one or more employers for compensation, or (ii) an