

105TH CONGRESS
1ST SESSION

S. 1167

To amend the Tariff Act of 1930 to clarify the method for calculating cost of production for purposes of determining antidumping margins.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 11, 1997

Mr. INOUE (for himself and Mr. AKAKA) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Tariff Act of 1930 to clarify the method for calculating cost of production for purposes of determining antidumping margins.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. CLARIFICATION OF RULES FOR CALCULATING**
4 **COST OF PRODUCTION AND CONSTRUCTED**
5 **VALUE.**

6 Section 773(f)(1)(A) of the Tariff Act of 1930 (19
7 U.S.C. 1677b(f)(1)(A)) is amended—

8 (1) by striking “Costs” and inserting “(i) CAL-
9 CULATION OF COSTS.—Costs”;

1 (2) by striking “The Administering authority”
 2 and inserting “(ii) ALLOCATION OF COSTS.—

3 “(I) GENERAL RULE.—The ad-
 4 ministering authority”;

5 (3) by indenting the text so as to align clauses
 6 (i) and (ii) (as added by paragraphs (1) and (2))
 7 with clause (i) of subparagraph (C) of such section
 8 773(f)(1)); and

9 (4) by adding at the end the following:

10 “(II) METHODS FOR ALLOCATING
 11 COST OF PRODUCTION.—In determin-
 12 ing the proper allocation of costs, the
 13 administering authority may use
 14 value-based methodology, weight-
 15 based cost methodology, or any other
 16 methodology that is consistent with
 17 generally accepted accounting prin-
 18 ciples of the exporter country (or pro-
 19 ducing country, where appropriate)
 20 and that reasonably reflects the costs
 21 associated with the production and
 22 sale of each product.”.

23 (b) APPLICATION TO CANADA AND MEXICO.—Pursu-
 24 ant to article 1902 of the North American Free Trade
 25 Agreement and section 408 of the North American Free

1 Trade Agreement Implementation Act, the amendments
2 made by this section shall apply with respect to goods from
3 Canada and Mexico.

4 (c) EFFECTIVE DATE.—The amendments made by
5 this section shall apply with respect to—

6 (1) investigations initiated—

7 (A) on the basis of petitions filed under
8 section 732(b) or 783(b) of the Tariff Act of
9 1930 after January 1, 1995; or

10 (B) by the administering authority under
11 section 732(a) of such Act after such date;

12 (2) reviews initiated under section 751 of such
13 Act—

14 (A) by the administering authority or the
15 Commission on their own initiative after such
16 date; or

17 (B) pursuant to a request filed after such
18 date;

19 (3) petitions filed under section 780 of such Act
20 after such date; and

21 (4) inquiries initiated under section 781 of such
22 Act—

23 (A) by the administering authority on its
24 initiative after such date; or

1 (B) pursuant to a request filed after such
2 date.

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