The Miscellaneous Tariff Bill (MTB)

Passage of the MTB Is Imperative for Manufacturers in the United States

Congress Must ACT NOW to Move This Bill!

- The U.S. Job Creation and Manufacturing Competitiveness Act (H.R. 2708) would eliminate or reduce hundreds of import duties on raw materials and intermediate products that are not produced or otherwise available domestically.
- The characterization of MTBs as earmarks is fundamentally incorrect. MTB provisions broadly benefit any manufacturer that imports those products on which duties have been suspended.
- MTBs are not directed spending provisions. They are tax cuts for job creators in the United States.
- The last MTB Congress passed expired on December 31, 2012. As a result, manufacturers in the United States have seen their costs increase significantly. **Congress must act quickly to reverse this $748 million tax hike on manufacturing in the United States!**
- The MTB helps manufacturers enhance their global competitiveness by cutting production costs in the United States. This program enables manufacturers to maintain production and employment that would otherwise move offshore.
- Failure to pass a MTB has resulted in substantially higher costs for manufacturers in the United States. Unless Congress acts swiftly, economic losses of ***$1.857 billion*** will result over the next three years alone. The MTB package Congress considered in 2010 was estimated to support 90,000 domestic manufacturing jobs, increase U.S. production by $4.6 billion and expand U.S. GDP by $3.5 billion.
- By definition, no one in the United States produces manufacturing inputs that can be eligible for the MTB. Therefore, these duty eliminations and reductions decrease manufacturers' costs and do ***not*** come at the expense of other U.S. producers.

Immediate passage of a new MTB is vital to eliminate import taxes on more than 600 manufacturing inputs. Roughly 700 other inputs await action on new duty suspensions as well. Without a new MTB, manufacturers in the United States will continue to pay new taxes on these essential inputs, further fueling production costs and undermining global competitiveness.

The MTB supports tens of thousands of jobs and helps manufacturing stay in America.

Additional Background Information

For three decades, Congress has supported manufacturing in America by suspending import taxes on necessary manufacturing inputs that are not available in the United States and must be imported from other countries. The MTB has historically been noncontroversial and has received strong bipartisan and bicameral support. In 2010, MTB legislation—the U.S. Manufacturing Enhancement Act (H.R. 4380)—passed the House by a 378–43 vote and the Senate by unanimous consent.

A study by the National Association of Manufacturers shows that the costs of manufacturing in the United States are already 20 percent higher compared to our major competitors. It is critical that Congress not add further costs that would burden manufacturers in the United States.

The MTB process is open and transparent. Each proposed duty suspension is subject to a meticulous and nonpartisan vetting process to ensure that no domestic producers of the affected product exist. In addition to the House and Senate committees of jurisdiction, the International Trade Commission, Department of Commerce, Customs and Border Protection and Office of Management and Budget all collaborate to review every bill. Each proposal is subject to public comment periods, both during the executive branch vetting process, and again before the House Ways and Means Committee and Senate Finance Committee consider the omnibus MTB. All members of Congress sponsoring these measures are identified, as are the companies or industrial sectors that will be impacted.

Bottom Line:

Congress must act now to end the $748 million tax on manufacturers in the United States!