



NEW MISCELLANEOUS TARIFF BILL PROCESS:

Consider Manufacturing Tax Cuts through Fair and Transparent Process, while Upholding Strong House Earmark Ban

GOAL:

For over five years, Republicans have worked to ensure every policy decision we make upholds our strong ban against earmarks. Today, as we move forward to deliver an open and transparent process for the House to consider manufacturing tax cuts through the Miscellaneous Tariff Bill (MTB), we will again maintain the earmark ban. American manufacturers have been hurt by the fact that there is no process in place to cut their costs and help them compete.

Here's our plan to help them:

1. INITIATION OF NEW MTB PROCESS:

- The new process would begin exclusively through petitions made by U.S. and local businesses to the independent, non-partisan International Trade Commission.
 - In the past, the MTB process began by having Members introduce bills.
 - By eliminating Member initiation, the new MTB process is consistent with House Rules.

2. ITC ANALYSIS and PUBLIC COMMENT:

- Once the ITC receives petitions from the business community, the independent panel would conduct its analysis, as in the past, taking comments from the public and the Administration.
- The ITC would issue a public report to Congress with its analysis and recommendations regarding products that meet the MTB tests – including that there is no domestic production – with suggested technical changes and adjustments in product scope to protect our domestic producers.
- All comments and reports, as in the past, would be public – the process would be a model of transparency.

3. EXERCISE OF CONGRESSIONAL CONSTITUTIONAL ROLE:

- Ways and Means, as the Committee of jurisdiction, would examine the ITC's recommendations and draft a MTB proposal. The committee can exclude products from its final proposal, but it CANNOT add products that were not recommended by the ITC.
- As required by House Rules, Ways and Means would certify that there are no spending earmarks and would publish a list of any LTBs. This allows the MTB proposal to be considered by the House under House Rules.
- House and Senate would consider the MTB within existing Rules.

New MTB Process:



NO EARMARKS;
CONSISTENT WITH
HOUSE RULES



HELPS U.S.
MANUFACTURERS
THROUGH TAX
CUTS



REFORMED AND
TRANSPARENT

NEW PROCESS COMPLIES WITH HOUSE/CONFERENCE RULES:

Limited tariff benefits (LTBs), or tax cuts that benefit 10 or fewer businesses, may be considered by the House if no Member has introduced them and the Ways and Means Chairman publishes a list of these LTBs (Rule XXI(9)).

SUPPORT FOR MTB

The National Association of Manufacturers on U.S. Manufacturing Benefits

“Without the MTB, small, medium and large manufacturers in industries ranging from agriculture and electronics to textiles, chemicals and beyond continue to pay higher taxes on essential inputs and other products, undermining their competitiveness by raising their costs and hurting their ability to retain and create manufacturing jobs in the United States.”

National Taxpayers Union on Economic Benefits

“MTBs have long served as a bipartisan approach to lessening the burden of government and increasing economic growth. Indeed, since they provide relief from tariffs on highly-sought finished goods and raw materials brought into the United States, MTBs deliver advantages to our consumers and businesses above all others.”

National Taxpayers Union on Transparency and Accountability

Congress must ensure that MTBs do not give undue consideration to special interests in Washington. To that end, the House and Senate should reform the process so that individual companies request tariff relief from the International Trade Commission, rather than appealing directly to Members of Congress. This would greatly benefit taxpayers by increasing transparency and accountability.