

Senate Passes Tariff Bill

BY A vote of 53 to 31 the Senate passed the tariff bill on March 22. Voting for the bill were 46 Republican and 7 Democrats with 5 Republicans and 26 Democrats opposed. Although the bill has been under consideration for more than a year, the differences between the Senate and House Bills as passed is such that it is believed almost a month of conference between the houses will be required before these differences are finally adjusted. Consequently it may be expected that the measure will not become law until sometime during the latter part of April or the early part of May.

The dairy and allied interests made a final desperate drive upon the retention of certain industrial oils and fats on the free list. An amendment seeking to remove all of these oils and fats from the free list was offered by Senator Sheppard, (Dem.) of Texas, but was defeated by a vote of 39 to 28. A study of this vote in detail and a comparison with the vote on the Thomas amendment offered on January 28, reveals that six of the Senators who voted in favor of the Thomas amendment either voted against the Sheppard amendment to put duties on industrial fats and oils, or in one instance, refrained from voting at all. On the other hand, six Senators who voted against the Thomas amendment changed their stand when the Sheppard amendment came to a vote and aligned themselves with the people who wanted to put duties on all industrial fats and oils.

The Tariff Bill now goes to conference with the rates on all oils and fats and oilseeds virtually the same as in the Tariff Act of 1922, with the exception of the $4\frac{1}{2}$ c per pound tariff on linseed oil in the Senate Bill as compared to 4.16c in the House Bill and 3.7c per pound in the existing tariff. On soya bean oil, the present duty is $2\frac{1}{2}$ c per pound, whereas the Senate Bill carries 2.8c per pound. Rapeseed oil is on the free list in the Senate Bill, if denatured. Palm kernel oil, sesame oil sunflower oil and olive oil may be brought in duty free, if denatured, which in one sense maintains the status quo of 1922, although all these oils bear duties unless denatured (under the Senate Bill). Tallow remains at the 1922 rate of $\frac{1}{2}$ c per pound, and vegetable tallow remains on the free list. Copra, sesame seed, palm kernels and all other oilseeds formerly on the free list retain that classification, with two additions to the list,

namely, kapok seed and rubber seed. China wood oil and perilla oil remain on the free list, as do palm oil, cod oil, cod liver oil, etc. Fish cake and fish meal are on the free list, but oil cake and meal made from oilseeds draw a duty of \$6.00 per ton in the Senate Bill, although they are on the free list in the House Bill. The Conference Committee can therefore, if they wish, restore these items to the free list.

All sea animal oils bear the 1922 rates of duty with the exception of refined and crude sperm oils, the duty on the refined sperm oil having been put at 12c per gallon and that on the crude oil at 6c per gallon in the Senate Bill, as compared to 10c per gallon on both crude and refined oils in the Act of 1922.

Mixed Oils Duties

ANOTHER attempt to apply the linseed oil duty to a mixed drying oil has been determined upon by the Bureau of Customs.

F. X. A. Eble, Commissioner of Customs, has instructed the collector of customs at New York that shipments consisting of 95 percent of linseed oil and 5 percent of soya bean oil are to be assessed for duty as linseed oil at 3.7 cents per pound, under paragraph 54 of the tariff act of 1922, instead of as a mixed oil at 25 percent under paragraph 58. In the Thomas case, decided by the United States Court of Customs Appeals November 14, 1927 (T. D. 42473), it was held that such a mixture should be entered under the mixed oils paragraph.

Lately various customs appraisers have been in disagreement over the classification of such mixed oils, some holding that, if an analysis shows that the mixture conforms to the American Society for Testing Materials specification for raw linseed oil, it should be dutiable as linseed oil. Commissioner Eble declared that after careful consideration the bureau had concluded that the mixed oil paragraph should be limited to combinations of oils which produce an entirely different article than existed prior to the mixing, but that it has been established that a mixture of 95 percent of linseed oil and 5 percent soya bean oil is used for the same purposes as linseed oil.

The bureau expect that the matter will again be taken to the courts, but that new evidence will be presented that was not available in the Thomas case.