



BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE
Foreign-Trade Zones Board
[B-29-2020]

Foreign-Trade Zone (FTZ) 148 – Knoxville, Tennessee;
Notification of Proposed Production Activity
CoLinx, LLC
(Tapered Roller Bearing Unit and Gearhead Kitting)
Crossville, Tennessee

CoLinx, LLC (CoLinx) submitted a notification of proposed production activity to the FTZ Board for its facility in Crossville, Tennessee. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on May 7, 2020.

CoLinx already has authority to produce certain kits of bearing products within FTZ 148. The current request would add finished products and foreign-status materials/components to the scope of authority. Pursuant to 15 CFR 400.14(b), additional FTZ authority would be limited to the specific foreign-status materials/components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt CoLinx from customs duty payments on the foreign-status materials/components used in export production (estimated 4 percent of production). On its domestic sales, for the foreign-status materials/components noted below and in the existing scope of authority, CoLinx would be able to choose the duty rates during customs entry procedures that apply to kits of tapered roller bearing cup/cone assemblies and gearheads (duty rates, 2.5% or 5.8%). CoLinx would be able to avoid duty on foreign-status components which become

scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The materials/components sourced from abroad include tapered roller bearing cones, inner and outer races for tapered roller bearings, and fixed ratio speed changers (duty rates, 2.5% or 5.8%). The request indicates that certain tapered roller bearings are subject to an antidumping/countervailing duty (AD/CVD) order if imported from China. The FTZ Board's regulations (15 CFR 400.14(e)) require that merchandise subject to AD/CVD orders, or items which would be otherwise subject to suspension of liquidation under AD/CVD procedures if they entered U.S. customs territory, be admitted to the zone in privileged foreign status (19 CFR 146.41). The request also indicates that certain materials/components are subject to special duties under Section 301 of the Trade Act of 1974 (Section 301), depending on the country of origin. The Section 301 decisions require subject merchandise to be admitted to FTZs in privileged foreign status.

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary and sent to: ftz@trade.gov. The closing period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

A copy of the notification will be available for public inspection in the "Reading Room" section of the Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Diane Finver at Diane.Finver@trade.gov or (202) 482-1367.

Dated: May 11, 2020.

Andrew McGilvray,
Executive Secretary.

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