UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110th Congress ¹

[Date approved: March 10, 2008]²

Bill No. and sponsor: H.R. 4268 (Mr. Pete Sessions of Texas).

Proponent name,³ location: Celanese Corporation, Dallas, TX.

Other bills on product (110th Congress only): None.

Nature of bill: Extend temporary duty reduction through December 31, 2011.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Potassium sorbate (CAS No. 24634–61–5) (provided for in subheading 2916.19.10).

Check one: X Same as that in bill as introduced.

______ Different from that in bill as introduced (see Technical comments section).

Product information, including uses/applications and source(s) of imports:

Potassium sorbate is a synthetic organic white powder that is chiefly used as an antimicrobial in food and beverage products. The chemical is imported primarily from China, Germany, and Japan.

¹ Industry analyst preparing report: Jeff Clark (202-205-3318); Tariff Affairs contact: David Michels (202-205-3440).

² Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tata/hts/other/rel_doc/bill_reports/.

³ The sponsor/proponent did not identify any additional beneficiaries of this bill.

Estimated effect on customs revenue:

HTS subheading: <u>2916.19.10</u>								
\searrow	2009	2010	2011	2012	2013			
Col. 1-General rate of duty (AVE)	3.1%	3.1%	3.1%	3.1%	3.1%			
Estimated value <i>dutiable</i> imports	\$31,000,000	\$31,000,000	\$31,000,000	\$31,000,000	\$31,000,000			
Customs revenue loss 1/2/	\$527,000	\$527,000	\$527,000	\$527,000	\$527,000			

^{1/} The estimated customs revenue loss is based on a temporary reduction of the general rate of duty from

Source of estimated dutiable import data: Official U.S. Government statistics.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?	
		(Yes/No)			
Celanese Corporation (Proponent) Karen Sewell, 972-443-4425 Judy Gomez, judy.gomez@celanese.com	1/21/2008 1/31/2008 2/1/2008 2/4/2008	No	No	No	
Aceto Corporation Marketing Mgr., Fax: 516-627-6093	1/23/2008	No	No	No	
Alfa Aesar Marketing Mgr., Fax: 978-521-6366	1/23/2008	No	No	No	
American Tartaric Products, Inc. Marketing Mgr., Fax: 914-834-4611	1/23/2008	No	No	No	
Charkit Chemical Corp. Briant Hinnant, Fax: 203-299-1355	1/25/2008	No	No	No	
Eastman Chemical Greg Riddle, Fax: 212-835-1621	2/5/2008	No	No	No	
Firmenich, Inc. Laura Heybur, Fax: 609-452-8063	1/25/2008	No	No	No	
Givaudian-Roure Co. Diane Koenig, Fax: 973-448-6532	1/25/2008	No	No	No	

^{3.1} percent ad valorem to 1.4 percent ad valorem, a reduction of 1.7 percentage points.

^{2/} The estimated customs revenue loss for 2009 reflects the existing duty reduction under HTS heading 9902.10.24 that expires on December 31, 2009.

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
Hawkins Inc. Marketing Mgr., Fax: 612-331-5304	1/23/2008	No	No	No
International Flavors & Fragrance Tom Kinlin, Fax: 732-335-2244	1/25/2008	No	No	No
International Sourcing Inc. Marketing Mgr., Fax: 201-560-1156	1/23/2008	No	No	No
International Specialty Products Marketing Mgr., Fax: 973-872-1583	2/1/2008	No	No	No
JLM Marketing, Inc. Marketing Mgr., Fax: 813-632-3301	1/23/2008	No	No	No
Jungbunlauer Inc. Marketing Mgr., Fax: 617-964-2921	2/1/2008	No	No	No
Kalsec, Inc. Bob Monk, Fax: 269-382-3060	1/25/2008	No	No	No
Koch Industries Ron Osman, Fax: 361-242-8353	1/25/2008	No	No	No
Los Angeles Chemical Co. Marketing Mgr., Fax: 323-773-0909	1/23/2008	No	No	No
Lubrizol Gregory Perun, Fax: 832-260-7340	1/25/2008	No	No	No
Parchem Trading Ltd. Marketing Mgr., Fax: 914-997-1025	1/23/2008	No	No	No
Penta Manufacturing Co. George Volpe, Fax: 973-740-1839	1/25/2008 2/1/2008	No	No	No
Rit-Chem Co. Inc. Marketing Mgr., Fax: 914-769-1408	1/23/2008	No	No	No
Ruger Chemical Co. Inc. Marketing Mgr., Fax: 814-238-1567	1/23/2008	No	No	No
Surety Labs Marketing Mgr., Fax: 908-755-0592	2/1/2008	No	No	No
Total Specialty Chemicals, Inc. Marketing Mgr., Fax: 203-966-1505	2/1/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?	
		(Yes/No)			
V.L. Clark Chemical Co. Marketing Mgr., Fax: 636-583-5218	1/23/2008	No	No	No	
Vopak USA Inc. Marketing Mgr., Fax: 425- 889-4100	1/23/2008	No	No	No	
Westco Chemicals, Inc. Marketing Mgr., Fax: 818-255-3650	1/23/2008	No	No	No	

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None.

⁴ The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

110TH CONGRESS 1ST SESSION

H.R.4268

To reduce temporarily the duty on potassium sorbate.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 4, 2007

Mr. Sessions introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To reduce temporarily the duty on potassium sorbate.

- 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. POTASSIUM SORBATE.
- 4 (a) IN GENERAL.—Heading 9902.10.24 of the Har-
- 5 monized Tariff Schedule of the United States is amended
- 6 by striking "12/31/2009" and inserting "12/31/2011".
- 7 (b) Effective Date.—The amendment made by
- 8 subsection (a) applies to goods entered, or withdrawn from
- 9 warehouse for consumption, on or after the 15th day after
- 10 the date of enactment of this Act.