### UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

# MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110<sup>th</sup> Congress <sup>1</sup>

[Date approved: March 10, 2008]<sup>2</sup>

Bill No. and sponsor: H.R. 4269 (Mr. Pete Sessions of Texas).

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

Other bills on product (110<sup>th</sup> 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)):

Sorbic acid (CAS No. 110–44–1) (provided for in subheading 2916.19.20).

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:

Sorbic acid is a synthetic organic white crystalline solid that is chiefly used as an antimicrobial in food and beverage products. The chemical is imported primarily from China, Japan, and Germany.

<sup>&</sup>lt;sup>1</sup> Industry analyst preparing report: Jeff Clark (202-205-3318); Tariff Affairs contact: David Michels (202-205-3440).

<sup>&</sup>lt;sup>2</sup> Access to an electronic copy of this memorandum is available at <a href="http://www.usitc.gov/tata/hts/other/rel\_doc/bill\_reports/">http://www.usitc.gov/tata/hts/other/rel\_doc/bill\_reports/</a>.

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

#### **Estimated effect on customs revenue:**

HTS subheading: <u>2916.19.20</u>								
$\searrow$	2009	2010	2011	2012	2013			
Col. 1-General rate of duty (AVE)	4.2%	4.2%	4.2%	4.2%	4.2%			
Estimated value <i>dutiable</i> imports	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000	\$30,000,000			
Customs revenue loss 1/2/	\$690,000	\$690,000	\$690,000	\$690,000	\$690,000			

<sup>1/</sup> The estimated customs revenue loss is based on a temporary reduction of the general rate of duty from 4.2 percent ad valorem to 1.9 percent ad valorem, a reduction of 2.3 percentage points.

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	

<sup>2/</sup> The estimated customs revenue loss for 2009 reflects the existing duty reduction under HTS heading 9902.10.25 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.

<sup>&</sup>lt;sup>4</sup> 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. 4269

To reduce temporarily the duty on sorbic acid.

#### 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 sorbic acid.

- 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. SORBIC ACID.
- 4 (a) IN GENERAL.—Heading 9902.10.25 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.