#### 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: June 10, 2008]<sup>2</sup>

Bill No. and sponsor: H.R. 4678 (Mr. Richard E. Neal of Massachusetts).			
Proponent name, <sup>3</sup> location: Solutia Inc., St. Louis, MO.			
Other bills on product (110 <sup>th</sup> Congress only): None.			
Nature of bill: Extension with modification of temporary duty suspension through December 31, 2011.			
Retroactive effect: None.			
Suggested article description(s) for enactment (including appropriate HTS subheading(s)):			
N-Cyclohexylthiophthalimide (CAS No. 17796-82-6) (provided for in subheading 2930.90.24).			
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:			

The subject synthetic organic chemical, a pre-vulcanization inhibitor (PVI), is used in the vulcanization of rubber. The chemical, more commonly known as PVI, delays the vulcanization process to allow various additives to become thoroughly mixed and evenly dispersed in vulcanized rubber. The product is imported from the United Kingdom, Japan, Slovakia, China, and India.<sup>4</sup>

<sup>&</sup>lt;sup>1</sup> Industry analyst preparing report: Robert Randall (202-205-3366); 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 identified eight additional beneficiaries of this bill. USITC staff sent inquiries to the additional beneficiaries and received responses from five. Two submitted written representations that they would benefit from this bill.

<sup>&</sup>lt;sup>4</sup> Imports of the subject product from India are eligible for duty-free treatment under the Generalized System of Preferences, but the proponent does not know whether imports of the subject product would actually qualify for duty-free treatment under the GSP program.

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

		HTS subheadi	ng: <u>2930.90.24</u>		
$\searrow$	2009	2010	2011	2012	2013
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$6,158,750	\$6,280,000	\$6,400,000	\$6,525,000	\$6,650,000
Customs revenue loss <u>1</u> /	\$0	\$408,200	\$416,000	\$424,125	\$432,250

<sup>1/</sup> There is an existing duty suspension under HTS heading 9902.22.26 that expires December 31, 2009. Therefore, there will be no customs revenue loss related to this bill for 2009. Source of estimated dutiable import data: U.S. industry estimates.

#### 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)	
Solutia Inc. (Proponent) Robert Hurley, rhurley@theaccordgroup.com	4/15/2008	No	No	No
Afton Chemical Corp. Janis Gleeson, 804-788-5600	4/15/2008	No	No	No
Akrochem Donna Quinn, 330-535-2100	4/15/2008	No	No	No
American Chemistry Council Marty Durbin, Fax: 703-741-6097	4/25/2008	No	No	No
America's International Inc. Wayne Stair, 330-920-9330	4/15/2008	No	No	No
Apollo Color, Inc. Dave Klebine, Fax: 815-741-2599	4/25/2008	No	No	No
BASF Greg Thies, Fax: 202-558-5101	4/25/2008	No	No	No
Bayer Chemicals Karen L. Niedermeyer, Fax: 412-777-4740 Julie Van Egmund, Fax: 202-737-8909	4/25/2008	No	No	No
Biddle Sawyer William Thonack, Fax: 212-239-1089	4/25/2008	No	No	No
Chemtura Corp. Matt Mattingley, Fax: 202-463-8497	4/25/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Ciba Specialty Chemicals Robert Hurley, Fax: 202-289-3588	4/25/2008	No	No	No
Clariant Corp. Andy Zamoyski, Fax: 202-248-9043	4/25/2008	No	No	No
CPH Solutions Corp. Todd Portzline, 800-243-3024	4/15/2008	No	No	No
Dow Chemical Company Lisa Schroeter, 202-429-3467	4/25/2008	No	No	No
DuPont Helen C. McMahon, Fax: 302-355-2994	4/25/2008	No	No	No
Emerald Performance Chemicals Tom Dirmyer, Fax: 330-315-6480	4/25/2008	No	No	No
Galaxie Chemical Corp. Michael Santoro, Jr., Fax: 973-790-7104	4/25/2008	No	No	No
Honeywell Art Simonetti, Fax: 202-662-2675	4/25/2008	No	No	No
Huntsman Corp. John Deming, Fax: 302-479-5499	4/25/2008	No	No	No
LANXESS Corp. Todd Portzline, 800-526-9377	4/15/2008	No	No	No
Monsanto Corp. Grant Erdel, Fax: 202-789-1867	4/25/2008	No	No	No
PMC Inc. Gordon McCollough, Fax: 513-482-7884	4/25/2008	No	No	No
Prochemie International, Inc. Mary Ann Reston, 860-683-8500	4/15/2008	No	No	No
Rhein Chemie Todd Portzline, 800-526-9377	4/15/2008	No	No	No
R.T. Vanderbilt Compnay Gregg Florre, 800-243-6064	4/15/2008	No	No	No
Sovereign Chemical Co. Samuel DiPaola, 330-869-0550	4/15/2008	No	No	No
Sun Chemical Corp. Steve Schmidt, Fax: 513-681-4960	4/25/2008	No	No	No
Tannin Corp. Robert Thompson, 978-532-4010	4/15/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
Western Reserve Chemical Corp. John Rylander, 330-650-2244	4/15/2008	No	No	No

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Tec	hnica	I com	men	ts:

None.

<sup>&</sup>lt;sup>5</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. 4678

To extend the temporary suspension of duty on N-Cyclohexylthiophthalimide.

#### IN THE HOUSE OF REPRESENTATIVES

DECEMBER 13, 2007

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

## A BILL

To extend the temporary suspension of duty on N-Cyclohexylthiophthalimide.

1	Be it enacted by the Senate and House of Representa-
•	De it chacted by the Solidie and House of Representa
2	$tives\ of\ the\ United\ States\ of\ America\ in\ Congress\ assembled,$
3	SECTION 1. N-CYCLOHEXYLTHIOPHTHALIMIDE.
4	(a) In General.—Subchapter II of chapter 99 of
5	the Harmonized Tariff Schedule of the United States is
6	amended—
7	(1) by striking heading 9902.03.30 (relating to
8	N-Cyclohexylthiophthalimide); and
9	(2) in heading 9902.22.26 (relating to N-
10	Cyclohexylthiophthalimide), by striking the date in

- 1 the effective period column and inserting "12/31/
- 2 2011".
- 3 (b) Effective Date.—The amendment made by
- 4 subsection (a)(2) applies to goods entered, or withdrawn
- 5 from warehouse for consumption, on or after the 15th day
- 6 after the date of the enactment of this Act.

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