MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110th Congress ¹

[Date approved: June 12, 2008]²

Bill No. and sponsor: H.R. 4864 (Mr. Wm. Lacy Clay of Missouri).

Proponent name,³ location: Sensient Technologies, St. Louis, MO.

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

Nature of bill: Extension of temporary duty suspension through December 31, 2011.

Retroactive effect: None.

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

N-Ethyl-N-(3-sulfobenzyl)aniline (3-[(ethylphenylamino)methyl]-benzenesulfonic acid) (CAS No. 101–11–1) (provided for in subheading 2921.42.90).

Check one:

____ Same as that in bill as introduced.

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

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

The subject product is a synthetic organic chemical that is used by the proponent as an intermediate in the production of food dyes. The subject product is imported from India and China.

Estimated effect on customs revenue:

HTS subheading: <u>2921.42.90</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	\$3,500,000	\$3,600,000	\$3,700,000	\$3,800,000	\$3,900,000					
Customs revenue loss 1/	\$0	\$234,000	\$240,500	\$247,000	\$253,500					

1/ There is an existing duty suspension under HTS heading 9902.01.68 that expires on 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.

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

¹ Industry analyst preparing report: Philip Stone (202-205-3424); Tariff Affairs contact: David Michels (202-205-3440).

³ The sponsor/proponent identified one additional beneficiary of this bill. USITC staff sent an inquiry to the named beneficiary and received a response from the beneficiary. It submitted a written representation that it would benefit from this bill.

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)			
Sensient Technologies (Proponent) Jim DeLisi, Fax: 908-322-8494	04/01/2008	No	No	No	
BASF David Bushnell, Fax: 301-654-8336 Cenan Ozmeral, Fax: 704-587-7903 Greg Thies, Fax: 202-558-5101	04/01/2008	No	No	No	
Bayer Corporation Karen L. Niedermeyer, Fax: 412-777-4740	04/01/2008	No	No	No	
Ciba Specialty Chemicals Michelle Forte, Fax: 914-785-4831 Robert Hurley, Fax: 202-289-3588	04/01/2008	No	No	No	
ColorChem Steve Printz, Fax: 770-993-4780	04/01/2008	No	No	No	
Color Resources International Inc. Wayne Jones, Fax: 864-862-6824	04/01/2008	No	No	No	
Day-Glo Eugene Crnjac, Fax: 216-391-1408	04/01/2008	No	No	No	
DyStar L.P. Ron Pedemonte, Fax: 704-561-3005	04/01/2008	No	No	No	
Emerald Performance Chemicals Tom Dirmyer, Fax: 330-315-6480	04/01/2008	No	No	No	
ETAD North America Tucker Helms, Fax: 202-296-8120	04/01/2008	No	No	No	
Everlight USA, Inc. Scott Chen, Fax: 704-588-0051	04/01/2008	No	No	No	
Fujifilm Imaging Colorants, Inc. Mike Gill, Fax: 202-628-5116 Pat McGlinchey, Fax: 302-477-8103	04/01/2008	No	No	No	
Huntsman Corporation John Deming, Fax: 302-479-5499	04/01/2008	No	No	No	
LANXESS Corporation Seth Tomei, Fax: 412-809-3614 Jamie Schaeffer, Fax: 412-809-3614	04/01/2008	No	No	No	
Milliken Ray Sanders, Fax: 864-503-1618	04/01/2008	No	No	No	

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Monsanto Grant Erdel, Fax: 202-789-1867	04/01/2008	No	No	No
Nation Ford Chemical Co. John Dickson, Fax: 803-548-2683	04/01/2008	No	No	No
Passaic Color John Wojciechowski, Fax: 973-279-3175	04/01/2008	No	No	No
Rohm & Haas Geoff Hurwitz, Fax: 703-741-5884	04/01/2008	No	No	No
United Color Tom Nowakowski, Fax: 215-860-8560	04/01/2008	No	No	No

Technical comments:⁴

The Commission staff suggests that the article description on page 1 of this report be used in HTS heading 9902.01.68 because it contains the correct chemical name.

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. 4864

To extend the temporary suspension of duty on N-Ethyl-N-(3-sulfobenzyl)aniline (benzenesulfonic acid, 3-[(ethylphenylamino)methyl]-).

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 19, 2007

Mr. CLAY 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-Ethyl-N-(3-sulfobenzyl)aniline (benzenesulfonic acid, 3-[(ethylphenylamino)methyl]-).

1 Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, 2 3 **SECTION** N-ETHYL-N-(3-SULFOBENZYL)ANILINE 1. 4 (BENZENESULFONIC ACID, 3-5 [(ETHYLPHENYLAMINO)METHYL]-). 6 (a) IN GENERAL.—Heading 9902.01.68 of the Har-

7 monized Tariff Schedule of the United States is amended
8 by striking "12/31/2009" and inserting "12/31/2011".

9 (b) EFFECTIVE DATE.—The amendment made by10 subsection (a) applies with respect to goods entered, or

1 withdrawn from warehouse for consumption, on or after

2 the 15th day after the date of the enactment of this Act.