

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 110th Congress¹**

[Date approved: June 19, 2008]²

Bill No. and sponsor: H.R. 4950 (Mr. David Davis of Tennessee).

Proponent name,³ location: Eastman Chemical Company, Kingsport, TN.

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)):

Phenyl salicylate (benzoic acid, 2-hydroxy-, phenyl ester) (CAS No. 118-55-8) (provided for in subheading 2918.23.10).

Check one: 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 product is a synthetic organic chemical that is used as a medicinal, a pharmaceutical intermediate, and as an ultraviolet absorber/stabilizer in some plastic applications. It is imported from China, Germany, Japan, and Switzerland.

Estimated effect on customs revenue:

HTS subheading: 2918.23.10					
	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	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Customs revenue loss ^{1/}	\$0	\$65,000	\$65,000	\$65,000	\$65,000

^{1/} There is an existing duty suspension under HTS heading 9902.23.65 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.

¹ Industry analyst preparing report: L. Johnson (202-205-3351); Tariff Affairs contact: D. 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 identified no additional beneficiaries of 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)	
Eastman Chemical Company (Proponent) Greg Riddle, 212-835-1620	04/28/2008	No	No	No
Abbott Laboratories Elaine Leavenworth, Fax: 202-783-6631	04/28/2008	No	No	No
Alfa Aesar Darryl Sanders, 978-521-6342	04/28/2008	No	No	No
BASF Corp. Greg Thies, Fax: 202-558-5101	04/28/2008	No	No	No
Bayer Corp. Karen Niedermeyer, Fax: 412-777-4740	04/28/2008	No	No	No
Biddle Sawyer Corp. William Thonack, Fax: 212-239-1089	04/28/2008	No	No	No
Bristol Myers Squibb David Warr, Fax: 202-783-2308	04/28/2008	No	No	No
Chemtura Matt Mattingley, Fax: 202-463-8497	04/28/2008	No	No	No
Ciba Specialty Chemicals Corp. John Deming, Fax: 302-479-5152	04/28/2008	No	No	No
Clariant Corporation Andrew Zamoyiski, Fax: 202-248-9043	04/28/2008	No	No	No
Dow Chemical Lisa Schroeter, Fax: 202-429-3467	04/28/2008	No	No	No
Dupont Helen McMahon, Fax: 302-355-2994	04/28/2008	No	No	No
Eli Lilly Kathryn Karol, Fax: 202-624-9460	04/28/2008	No	No	No
Gilead Sciences Cheryl Myriad, Fax: 650-522-5853	04/28/2008	No	No	No
GlaxoSmithKline William Schuyler, Fax: 202-715-1001	04/28/2008	No	No	No
Honeywell International Art Simonetti, Fax: 202-662-2675	04/28/2008	No	No	No
Interferon Sciences, Inc. Samuel Ronel, Fax: 732-249-6895	04/28/2008	No	No	No
Lonza, Inc. Ray Esposito, Fax: 201-696-3487	04/28/2008	No	No	No
Merck & Co. Thomas Bombelles, Fax: 202-638-3670	04/28/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Monsanto Linda Strachan, Fax: 202-789-1867 Michael Parrish, Fax: 202-789-1867	04/28/2008	No	No	No
Pfizer Philip Ellsworth, Fax: 212-309-5317	04/28/2008	No	No	No
Procter & Gamble Jim McCarthy, Fax: 202-393-4606	04/28/2008	No	No	No
Rhodia Dominick Cangiano, Fax: 609-860-2256	04/28/2008	No	No	No
Schering-Plough Rob Lively, Fax: 202-463-8809	04/28/2008	No	No	No
Solutia Sue Cannon, Fax: 314-674-1585 Dan Jenkins, Fax: 314-674-1585	04/28/2008	No	No	No

Technical comments:⁴

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
2D SESSION

H. R. 4950

To extend the duty suspension on Phenyl salicylate (benzoic acid, 2-hydroxy-, phenyl ester).

IN THE HOUSE OF REPRESENTATIVES

JANUARY 15, 2008

Mr. DAVID DAVIS of Tennessee introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To extend the duty suspension on Phenyl salicylate (benzoic acid, 2-hydroxy-, phenyl ester).

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. PHENYL SALICYLATE (BENZOIC ACID, 2-HY-**
4 **DROXY-, PHENYL ESTER).**

5 (a) IN GENERAL.—Heading 9902.23.65 of the Har-
6 monized Tariff Schedule of the United States (relating to
7 Phenyl salicylate (benzoic acid, 2-hydroxy-, phenyl ester))
8 is amended by striking “12/31/2009” and inserting “12/
9 31/2011”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) applies with respect to goods entered, or
3 withdrawn from warehouse for consumption, on or after
4 the date that is 15 days after the date of enactment of
5 this Act.

○