

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: June 13, 2008]²

Bill No. and sponsor: H.R. 4964 (Mrs. Sue Myrick of North Carolina).

Proponent name,³ location: Clariant Corporation, Mount Holly, NC.

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)):

Methyl 4-hydroxybenzoate (CAS No. 99-76-3); propyl 4-hydroxybenzoate (CAS No. 94-13-3); ethyl 4-hydroxybenzoate (CAS No. 120-47-8); butyl 4-hydroxybenzoate (CAS No. 94-26-8); benzyl 4-hydroxybenzoate (CAS No. 94-18-8); methyl 4-hydroxybenzoate, sodium salt (CAS No. 5026-62-0); propyl 4-hydroxybenzoate, sodium salt (CAS No. 35285-69-9); ethyl 4-hydroxybenzoate, sodium salt (CAS No. 35285-68-8); and butyl 4-hydroxybenzoate, sodium salt (CAS No. 36457-20-2) (all the foregoing provided for in subheading 2918.29.65 or 2918.29.75).

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 products are organic chemicals that are used as preservatives in cosmetic, pharmaceutical, food, and health care products. They are imported from the United Kingdom, Japan, Mexico,⁴ and Israel.⁵

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 did not identify any additional beneficiaries of this bill.

⁴ Imports of the subject products from Mexico may be eligible for duty-free access to the U.S. market under NAFTA.

⁵ Imports of the subject products from Israel may be eligible for duty-free access to the U.S. market under the U.S.-Israel FTA.

Estimated effect on customs revenue:

Total Estimated Revenue Loss for this Bill					
	2009	2010	2011	2012	2013
Customs revenue loss ^{1/}	\$0	\$195,000	\$227,500	\$260,000	\$292,500

Source of estimated dutiable import data: U.S. industry estimates.

HTS subheading: 2918.29.65					
	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	\$1,500,000	\$1,750,000	\$2,000,000	\$2,250,000
Customs revenue loss	\$0	\$97,500	\$113,750	\$130,000	\$146,250

^{1/} There is an existing duty suspension under HTS heading 9902.02.75 that expires on December 31, 2009. Therefore, there will be no customs revenue loss related to this bill in 2009.

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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)		
Clariant Corporation (Proponent) Andrew Zamoyiski, 202-415-9159	04/04/2008	No	No	No
Abbott Laboratories Elaine Leavenworth, Fax: 202-783-6631	04/04/2008	No	No	No
BASF Corp. Greg Thies, 202-904-2332	04/04/2008	No	No	No
Bayer Corp. Karen Niedermeyer, Fax: 412-777-4740 Julie Van Egmund, Fax: 202-737-8909	04/04/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Biddle Sawyer Corp. William Thonack, Fax: 212-239-1089	04/04/2008	No	No	No
Bristol Myers Squibb David Warr, Fax: 202-783-2308	04/04/2008	No	No	No
Chemtura Carly Seymour, 202-463-8493	04/04/2008	No	No	No
Ciba Specialty Chemicals Corp. John Deming, Fax: 302-479-5152	04/04/2008	No	No	No
Dupont Helen McMahon, Fax: 302-355-2994	04/04/2008	No	No	No
Eastman Chemical Jorge San Pedro, Fax: 703-524-7707	04/04/2008	No	No	No
Eli Lilly Kathryn Karol, Fax: 202-624-9460	04/04/2008	No	No	No
Firmenich, Inc. Laura Heybur, Fax: 609-452-8063	04/04/2008	No	No	No
Gilead Sciences Cheryl Myriad, Fax: 650-522-5853	04/04/2008	No	No	No
Givaudian-Roure Co. Diane Koenig, Fax: 973-448-6532	04/04/2008	No	No	No
GlaxoSmithKline Sara Froehlich, Fax: 202-715-1001	04/04/2008	No	No	No
Honeywell International Art Simonetti, Fax: 202-662-2675	04/04/2008	No	No	No
Int'l Flavors & Fragrance Tom Kinlin, Fax: 732-335-2244	04/04/2008	No	No	No
Interferon Sciences, Inc. Samuel Ronel, Fax: 732-249-6895	04/04/2008	No	No	No
Kalsec, Inc. Bob Monk, Fax: 269-349-1558	04/04/2008	No	No	No
Koch Industries Ron Osman, Fax: 361-242-8353	04/04/2008	No	No	No
Lonza, Inc. Ray Esposito, Fax: 201-696-3487	04/04/2008	No	No	No
Merck & Co. Thomas Bombelles, Fax: 202-638-3670	04/04/2008	No	No	No
Monsanto Linda Strachan, Fax: 202-789-1867	04/04/2008	No	No	No
Noveon Tom Dirmyer, Fax: 216-447-5720	04/04/2008	No	No	No
Penta Mfg. Co. George Volpe, Fax: 973-740-1839	04/04/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Pfizer Philip Ellsworth, Fax: 212-309-5317	04/04/2008	No	No	No
Procter & Gamble Jim McCarthy, Fax: 202-393-4606	04/04/2008	No	No	No
Rhodia Dominick Cangiano, Fax: 609-860-2256	04/04/2008	No	No	No
Schering-Plough Rob Lively, Fax: 202-463-8809	04/04/2008	No	No	No
Solutia Sue Cannon, Fax: 314-674-1585	04/04/2008	No	No	No
Uniroyal Chemical Lloyd Moon, Fax: 203-573-4430	04/04/2008	No	No	No

Technical comments:⁶

None.

⁶ 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. 4964

To extend the temporary suspension of duty on esters and sodium esters of parahydroxybenzoic acid.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 15, 2008

Mrs. MYRICK introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To extend the temporary suspension of duty on esters and sodium esters of parahydroxybenzoic 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. ESTERS AND SODIUM ESTERS OF**
4 **PARAHYDROXYBENZOIC ACID.**

5 (a) IN GENERAL.—Heading 9902.02.75 of the Har-
6 monized Tariff Schedule of the United States (relating to
7 esters and sodium esters of parahydroxybenzoic acid) is
8 amended by striking “12/31/2009” and inserting “12/31/
9 2011”.

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

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