UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110th Congress ¹

[Date approved: June 12, 2008]²

Bill No. and sponsor: H.R. 4977 (Mr. Jim Ramstad of Minnesota).

Proponent name, location: Honeywell International, Inc., Morristown, NJ.

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)):

1H-Benz[e]indolium,

2-[2-[2-chloro-3-[(1,3-dihydro-1,1,3-trimethyl-2H-benz[e]indol-2-ylidene)ethylidene]-1-cyclohexen-1-yl] ethenyl]-1,1,3-trimethyl-, salt with 4-methylbenzenesulfonic acid (1:1) (CAS No. 134127-48-3) (provided for in subheading 3204.19.20).

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 as an infrared absorbing dye. The product improves the response of photosensitive formulations in digital computer-to-photographic plate systems. The product is imported from Germany and Japan.

¹ Industry analyst preparing report: Andrew Gately (202-205-3437); Tariff Affairs contact: David 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.

Estimated effect on customs revenue:

HTS subheading: <u>3204.19.20</u>										
\searrow	2009	2010	2011	2012	2013					
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%					
Estimated valu <i>dutiable</i> imports	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000					
Customs revenue loss 1/	\$0	\$130,000	\$130,000	\$130,000	\$130,000					

^{1/} There is an existing duty suspension under HTS heading 9902.23.13 that expires on December 31, 2009. Therefore, there will be no customs revenue loss related to this bill in 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)		
Honeywell International, Inc. (Proponent) Art Simonetti, art.simonetti@honeywell.com	04/15/2008	Yes	No	No
BASF David Bushnell, Fax: 301-654-8336 Cenan Ozmeral, Fax: 704-587-7903 Greg Thies, Fax: 202-558-5101	04/21/2008	No	No	No
Bayer Karen Niedermeyer, Fax: 412-777-4740	04/21/2008	No	No	No
Carey Industries Raymond Carey, Fax: 704-391-1881	04/21/2008	No	No	No
Ciba Specialty Chemicals Robert Hurley, Fax: 202-289-3588 Michelle Forte, Fax: 914-785-4831	04/21/2008	No	No	No
ColorChem Steve Printz, Fax: 770-993-4780	04/21/2008	No	No	No
Color Resources International Wayne Jones, Fax: 864-862-6824	04/21/2008	No	No	No
Day-Glo Eugene Crnjac, Fax: 216-391-1408	04/21/2008	No	No	No
DyStar Ron Pedemonte, Fax: 704-561-3005	04/21/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?	
			(Yes/No)))	
Emerald Performance Chemicals Tom Dirmyer, Fax: 330-315-6480	04/21/2008	No	No	No	
ETAD Tucker Helms, Fax: 202-296-8120	04/21/2008	No	No	No	
Everlight USA Scott Chen, Fax: 704-588-0051	04/21/2008	No	No	No	
Fanwood Chemical Jim DeLisi, Fax: 908-322-8494	04/21/2008	No	No	No	
FujiFilm Imaging Colorants (Avecia) Mike Gill, Fax: 202-628-5166 Pat McGlinchey, Fax: 302-477-8103	04/15/2008 04/21/2008	No	No	No	
Huntsman John Deming, Fax: 302-479-5499	04/21/2008	No	No	No	
Kodak Soma Chengalir, Fax: 202-857-3401 Brendan Harrington, 202-857-3463	04/15/2008 04/21/2008	Yes	Yes	Yes	
Lanxess Jamie Schaeffer, Fax: 412-809-3614 Seth Tomei, Fax: 412-809-3614	04/21/2008	No	No	No	
Milliken Ray Sanders, Fax: 864-503-1618	04/21/2008	No	No	No	
Monsanto Grant Erdel, Fax: 202-789-1867	04/21/2008	No	No	No	
NFC John Dickson, Fax: 803-548-2683	04/21/2008	No	No	No	
Passaic Color John Wojciechowski, Fax: 973-279-3175	04/21/2008	No	No	No	
Rockland Colloid Robert Cone, Fax: 845-398-3046	04/18/2008	No	No	No	
Rohm & Haas Jeff Hurwitz, Fax: 703-741-5884	04/21/2008	No	No	No	
United Color Tom Nowakowski, Fax: 215-860-8560	04/21/2008	No	No	No	

Technical comments:⁴

The Commission staff notes that the subject product is classified in HTS subheading 3204.19.20, as indicated on page 1 of this report. The subheading reference in the article description of HTS heading 9902.23.13 is incorrect. The Commission staff suggests that the article description of heading 9902.23.13 be amended by deleting "2934.99.90" and inserting "3204.19.20" in lieu thereof.

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.

From: brendan.harrington@kodak.com Sent: Monday, April 21, 2008 11:53 AM To: jennifer.mccadney@mail.house.gov

Cc: Gately, Andrew; Somadeepti Chengalur; James O'Connor Subject: Objection re: duty suspension for Trump IR Dye

Kodak believes the proposed duty-free treatment for 1H-Benz(e)indolium, which our chemsts refer to as Trump IR Dye, would adversely affect our synthetic chemicals division and our digital printing plate business. At this time, therefore, Eastman Kodak Company objects to any suspension of duties on this chemical.

Thank you for the opportunity to address this proposed duty suspension. Please do not hesitate to contact me if you have, any questions regarding this duty matter.

Brendan Harrington Director, International Trade Relations Eastman Kodak Company 202-857-3463

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110TH CONGRESS 2D SESSION

H. R. 4977

To extend the temporary suspension of duty on an infrared absorbing dye.

IN THE HOUSE OF REPRESENTATIVES

January 15, 2008

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

A BILL

To extend the temporary suspension of duty on an infrared absorbing dye.

- 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. AN INFRARED ABSORBING DYE.
- 4 (a) In General.—Heading 9902.23.13 of the Har-
- 5 monized Tariff Schedule of the United States (relating to
- 6 an infrared absorbing dye) is amended by striking the date
- 7 in the effective period column and inserting "12/31/2011".
- 8 (b) Effective Date.—The amendment made by
- 9 subsection (a) applies to goods entered, or withdrawn from

- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of the enactment of this Act.

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