UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110th Congress ¹

[Date approved: August 26, 2008]²

Bill No. and sponsor: H.R. 5182 (Mrs. Carolyn B. Maloney of New York).

Proponent name, location: Mitsui & Co. (USA), Inc., New York, NY.

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

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

Retroactive effect: None.

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

1-Oxa-2-cyclohexadecanone (Cyclopentadecanolide) (CAS No. 106-02-5) (provided for in subheading 2932.29.50).

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 an organic specialty chemical that is used as a fragrance in cosmetics and soaps. The product is imported from Germany and Japan.

Estimated effect on customs revenue:

HTS subheading: <u>2932.29.50</u>							
\searrow	2009	2010	2011	2012	2013		
Col. 1-General rate of duty	3.7%	3.7%	3.7%	3.7%	3.7%		
Estimated value <i>dutiable</i> imports	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000		
Customs revenue loss	\$55,500	\$55,500	\$55,500	\$55,500	\$55,500		

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

¹ Industry analyst preparing report: Philip Stone (202-205-3424); 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 identified one additional beneficiary of this bill. USITC staff sent an inquiry to the additional beneficiary but did not receive a response.

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)			
Mitsui & Co. (USA), Inc. (Proponent) Andy Durant, adurant@samuelsinternational.com	05/05/2008	No	No	No	
Firmenich Inc. Laura Heyburn, Fax: 609-452-8063	05/06/2008	Yes	Yes	Yes	
Givaudan Fragrances Diane Koenig, Fax: 973-448-6624	05/06/2008	No	No	No	
The Good Scents Company President, Fax: 414-764-6035	05/07/2008	No	No	No	
International Flavors & Fragrances Tom Kinlin, Fax: 732-335-2244	05/06/2008	No	No	No	
Kalsec, Inc. George Todd, gtodd@kalsec.com	05/06/2008	No	No	No	
Koch Industries Ron Osman, Fax: 361-242-8353	05/06/2008	No	No	No	
Penta Manufacturing Company George Volpe, Fax: 973-740-1839	05/06/2008	No	No	No	
Symrise Inc. President, Fax: 201-462-2200	05/07/2008	No	No	No	
UBE Industries yoshiwara@ube.com	05/07/2008	No	No	No	

Technical comments:⁴

The Commission staff suggests that the article description on page 1 of this report be used in the proposed new heading in order to incorporate the IUPAC 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 2D SESSION

H. R. 5182

To suspend temporarily the duty on cyclopentadecanolide.

IN THE HOUSE OF REPRESENTATIVES

January 29, 2008

Mrs. Maloney of New York introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To suspend temporarily the duty on cyclopentadecanolide.

1 Be it enacted by the Senate and House of Repre	resenta-
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- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. CYCLOPENTADECANOLIDE.
- 4 (a) IN GENERAL.—Subchapter II of chapter 99 of
- 5 the Harmonized Tariff Schedule of the United States is
- 6 amended by inserting in numerical sequence the following
- 7 new heading:

"	Cyclopentadecanolide (CAS No. 106–02–5) (provided for in subheading 2932.29.50)	Free	No change	No change	On or before	
	in subheading 2352.23.30)	Fiee	No change	No change	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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