MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110th Congress ¹

[Date approved: October 6, 2008]²

Bill No. and sponsor: H.R. 5387 (Mr. Henry Brown of South Carolina).

Proponent name,³ location: Symrise Inc., Goose Creek, SC.

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)):

6-Isopropyl-9-methyl-1,4-dioxaspiro[4.5]decane-2-methanol (Menthone glyceryl ketal) (CAS No. 63187–91–7) (provided for in subheading 2932.99.90).

Check one: _____ Same as that in bill as introduced.

 \underline{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 ingredient in cosmetics and other personal care products. The product has a cooling effect when applied to the skin and is used in consumer products such as soaps, shampoos, shaving foams, and shower gels. The product is imported from Germany.

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 <u>http://www.usitc.gov/tata/hts/other/rel_doc/bill_reports/</u>.

³ The sponsor/proponent did not identify any additional beneficiaries of this bill.

Estimated effect on customs revenue:

HTS subheading: <u>2932.99.90</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	\$900,000	\$900,000	\$900,000	\$900,000	\$900,000					
Customs revenue loss 1/	\$0	\$33,300	\$33,300	\$33,300	\$33,300					

1/ There is an existing duty suspension under HTS heading 9902.24.49 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)		
Symrise Inc. (Proponent) Brett Garson, brettg@sda-inc.com	05/06/2008	No	No	No
Firmenich, Inc. Laura Heyburn, Fax: 609-452-8063	05/20/2008	No	No	No
Givaudan Fragrances Diane Koenig, Fax: 973-448-6624	05/20/2008	No	No	No
International Flavors & Fragrances Tom Kinlin, Fax: 732-335-2244	05/20/2008	No	No	No
Koch Industries Ron Osman, Fax: 361-242-8353	05/20/2008	No	No	No
Penta Manufacturing Company George Volpe, Fax: 973-740-1839	05/20/2008	No	No	No

Technical comments:⁴

The Commission staff notes that HTS heading 9902.24.49 provides a temporary duty suspension for the subject product that expires on December 31, 2009. The Commission staff recommends that HTS heading 9902.24.49 be used to extend the existing duty suspension and that the article description on page 1 of this report be used because it contains the correct chemical name and common 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. 5387

To suspend temporarily the duty on Frescolat MGA.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 12, 2008

Mr. BROWN of South Carolina introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To suspend temporarily the duty on Frescolat MGA.

- 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. FRESCOLAT MGA.

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:

" 9902.01.00 Menthone Glycerin Acetal (CAS No. 63187-91-7) (pro- vided for in subheading 2932.99.90) Free No change No change On or I 12/31/2		".
---	--	----

8 (b) EFFECTIVE DATE.—The amendment made by9 subsection (a) applies to goods entered, or withdrawn from

- 1~ warehouse for consumption, on or after the 15th day after
- $2 \ \ {\rm the \ date \ of \ the \ enactment \ of \ this \ Act.}$