

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: March 17, 2008]²

Bill No. and sponsor: H.R. 3731 (Mr. Ron Paul of Texas).

Proponent name,³ location: Rhodia Inc., Cranbury, NJ.

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

Nature of bill: Temporary duty suspension through December 31, 2012.

Retroactive effect: None.

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

Lutetium oxide (CAS No. 12032-20-1) (provided for in subheading 2846.90.80).

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:

Lutetium oxide, imported primarily from France and secondarily from China, is used to produce scintillator detector crystals that are used in PET scanners for medical imaging.

Estimated effect on customs revenue:

HTS subheading: <u>2846.90.80</u>					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty					
Col. 1-General rate of duty	3.7%	3.7%	3.7%	3.7%	3.7%
Estimated value <i>dutiable</i> imports	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000
Customs revenue loss 1/	\$0	\$148,000	\$148,000	\$148,000	\$148,000

1/ The estimated customs revenue loss for 2009 reflects the existing duty suspension under HTS heading 9902.10.78 that expires on December 31, 2009.

Source of estimated dutiable import data: Industry estimates.

¹ Industry analyst preparing report: Robert Randall (202-205-3366); 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.

Contacts with domestic firms/organizati

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Rhodia Inc. (Proponent) Rick Valentine, 202-661-3802 rick.valentine@klgates.com	11/19/2007	No	No	No
Moly Corp. John Benfield, 760-856-7616	12/20/2007	No	No	No
PIDC Bill Germond, 734-930-9292	12/20/2007	No	No	No
Santoku Americas Randall Ice, 623-936-1481	12/20/2007	No	No	No

Technical comments:⁴

The Commission staff suggests that the existing heading, 9902.10.78, be used for the duty suspension for the subject product.

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
1ST SESSION

H. R. 3731

To suspend temporarily the duty on lutetium oxide.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 2, 2007

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

A BILL

To suspend temporarily the duty on lutetium oxide.

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. LUTETIUM OXIDE.**

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:

“	9902.04.75	Lutetium oxide (CAS No. 12032–20–1) (provided for in subheading 2846.90.80) ..	Free	No change	No change	On or before 12/31/2012	”.
---	------------	--------------------------------------------------------------------------------	------	-----------	-----------	-------------------------	----

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.

○