

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: March 20, 2008]²

Bill No. and sponsor: H.R. 4323 (Mr. J. Randy Forbes of Virginia).

Proponent name,³ location: Ciba Specialty Chemicals, St. Gabriel, LA.

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

Nature of bill: Extension of temporary duty reduction through December 31, 2012.⁴

Retroactive effect: None.

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

Glycine, N,N-Bis[2-hydroxy-3-(2-propenyloxy)propyl]-, monosodium salt, reaction products with ammonium hydroxide and pentafluoroiodoethane-tetrafluoroethylene telomer (CAS No. 220459-70-1) (provided for in subheading 3809.92.50).

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 chemical is used in the manufacture of specialty paper products to impart certain oil- and grease-resistant properties to finished paper/paperboard products. Ciba Specialty Chemicals imports the subject chemical from its affiliated plant in Germany.


¹ Industry analyst preparing report: Eric Land (202-205-3349); Tariff Affairs contact: David G. 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 Though the bill indicates that its purpose is to extend an existing duty suspension (heading 9902.25.66), the existing provision is actually a temporary duty reduction.

Estimated effect on customs revenue:

HTS subheading: 3809.92.50					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty (AVE)	6%	6%	6%	6%	6%
Estimated value <i>dutiable</i> imports	\$6,517,500	\$6,280,500	\$6,043,500	\$5,806,500	\$5,569,500
Customs revenue loss 1/ 2/	\$0	\$307,745	\$296,132	\$284,518	\$272,905

1/ The estimated customs revenue loss is based on a temporary reduction of the general rate of duty from 6 percent ad valorem to 1.1 percent ad valorem, a reduction of 4.9 percentage points.

2/ There is an existing duty reduction under HTS heading 9902.25.66 that expires on December 31, 2009. Therefore, there will be no additional customs revenue loss related to this bill for 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)		
Ciba Specialty Chemicals (Proponent) Robert Hurley Email: rhurley@theaccordgroup.com	01/08/2008	No	No	No
BASF Gregory Thies Email: gregory.thies@basf.com	01/17/2008	No	No	No
Clariant Corporation Andrew Zamoyski, Email: az@azamoyski.com	01/17/2008	No	No	No
DuPont Helen McMahan Email: Helen.C.McMahon@USA.dupont.com	01/17/2008	No	No	No

Technical comments:⁵

As noted by footnote 4 on the first page of this report, the bill purports to extend an existing duty suspension under HTS heading 9902.25.66. However, heading 9902.25.66 is actually a temporary duty reduction. This information in this report reflects the extension of that duty reduction.

⁵ 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. 4323

To extend the suspension of duty on Glycine, N,N-Bis[2-hydroxy-3-(2-propenyloxy)propyl]-, monosodium salt, reaction products with ammonium hydroxide and pentafluoroiodoethane-tetrafluoroethylene telomer.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 6, 2007

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

A BILL

To extend the suspension of duty on Glycine, N,N-Bis[2-hydroxy-3-(2-propenyloxy)propyl]-, monosodium salt, reaction products with ammonium hydroxide and pentafluoroiodoethane-tetrafluoroethylene telomer.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. GLYCINE, N,N-BIS[2-HYDROXY-3-(2-PROPENYL-**
2 **OXY)PROPYL]-, MONOSODIUM SALT, REAC-**
3 **TION PRODUCTS WITH AMMONIUM HYDROX-**
4 **IDE AND PENTAFLUOROiodoETHANE-TETRA-**
5 **FLUOROETHYLYENE TELOMER.**

6 (a) **IN GENERAL.**—Heading 9902.25.66 of the Har-
7 monized Tariff Schedule of the United States (relating to
8 Glycine, N,N-Bis[2-hydroxy-3-(2-propenyloxy)propyl]-,
9 monosodium salt, reaction products with ammonium hy-
10 droxide and pentafluoriodoethane-tetrafluoroethylene
11 telomer) is amended by striking “12/31/2009” and insert-
12 ing “12/31/2012”.

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

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