

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 110th Congress ¹**

[Date approved: September 9, 2008]²

Bill No. and sponsor: H.R. 5048 (Mr. Scott Garrett of New Jersey).

Proponent name,³ location: Lonza Inc., Allendale, NJ.

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)):

Acetoacetamide (CAS No. 5977-14-0) (provided for in subheading 2924.19.11).

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 product is a diketene derivative that is used in water treatment and may be used in personal care applications. The product is imported from China and Switzerland.

Estimated effect on customs revenue:

| HTS subheading: <u>2924.19.11</u> | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|
| | 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 | \$600,000 | \$600,000 | \$600,000 | \$600,000 | \$600,000 |
| Customs revenue loss | \$22,200 | \$22,200 | \$22,200 | \$22,200 | \$22,200 |

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

¹ Industry analyst preparing report: Larry Johnson (202-205-3351); Tariff Affairs contact: Dave 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/organizations (including the proponent):

| Name of firm/organization | Date contacted | Claim US makes same or competing product(s)? | Submission attached? | Opposition noted? |
|--|----------------|--|----------------------|-------------------|
| | | | (Yes/No) | |
| Lonza Inc. (Proponent) Greg McCue, 202-429-6421 | 06/19/2008 | No | No | No |
| Abbott Laboratories Elaine Leavenworth, Fax: 202-783-6631 | 06/19/2008 | No | No | No |
| American Chemistry Council Marty Durbin, Fax: 703-741-6097 | 06/19/2008 | No | No | No |
| Apollo Color, Inc. Dave Klebine, Fax: 815-741-2599 | 06/19/2008 | No | No | No |
| BASF David Bushnell, Fax: 301-654-8336 Greg Thies, Fax: 202-558-5101 | 06/19/2008 | No | No | No |
| Bayer Corp. Karen Niedermeyer, Fax: 412-777-4740 | 06/19/2008 | No | No | No |
| Biddle Sawyer Corp. William Thonack, Fax: 212-239-1089 | 06/19/2008 | No | No | No |
| Chemtura Corporation Lloyd Moon, Fax: 203-573-2686 | 06/19/2008 | No | No | No |
| Ciba Specialty Chemicals Robert Hurley, Fax: 202-289-3588 | 06/19/2008 | No | No | No |
| Clariant Corp. Andy Zamoyski, Fax: 202-248-9043 | 06/19/2008 | No | No | No |
| Dow Lisa Schroeter, Fax: 202-429-3467 | 06/19/2008 | No | No | No |
| Dupont Helen McMahon, Fax: 302-355-2994 | 06/19/2008 | No | No | No |
| Eastman Chemical Greg Riddle, Fax: 212-835-1621 | 06/19/2008 | No | No | No |
| Emerald Performance Materials Tom Dirmyer, Fax: 330-315-6480 | 06/19/2008 | No | No | No |
| Galaxie Chemical Corp. Michael Santoro, Jr., Fax: 973-790-7104 | 06/19/2008 | No | No | No |
| Honeywell Art Simonetti, Fax: 202-662-2675 | 06/19/2008 | No | No | No |
| Huntsman Corp. John Deming, Fax: 302-479-5499 | 06/19/2008 | No | No | No |
| Monsanto Corp. Grant Erdel, Fax: 202-789-1867 | 06/19/2008 | No | No | No |
| PMC Inc. Gordon McCollough, Fax: 513-482-7884 | 06/19/2008 | No | No | No |

| Name of firm/organization | Date contacted | Claim US makes same or competing product(s)? | Submission attached? | Opposition noted? |
|--|----------------|--|----------------------|-------------------|
| | | (Yes/No) | | |
| Rhodia Dominick Cangiano, Fax: 609-860-2256 | 06/19/2008 | No | No | No |
| Solutia, Inc. Kassie D. Wooten, Fax: 314-674-1585 | 06/19/2008 | No | No | No |
| Sun Chemical Corp. Steve Schmidt, Fax: 513-681-4960 | 06/19/2008 | No | No | No |

Technical comments:⁴

None.

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. 5048

To suspend temporarily the duty on Acetoacetamide.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 17, 2008

Mr. GARRETT of New Jersey introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To suspend temporarily the duty on Acetoacetamide.

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. ACETOACETAMIDE.**

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 | Acetoacetamide (CAS No. 5977-14-0) (provided for in subheading 2924.19.11) | Free | No change | No change | On or before 12/31/2011 | ”. |
|---|------------|--|------|-----------|-----------|-------------------------|----|

8 (b) EFFECTIVE DATE.—The amendment made by
9 subsection (a) applies to articles entered, or withdrawn

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

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