

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: August 25, 2008]²

Bill No. and sponsor: H.R. 5256 (Mr. Melvin L. Watt of North Carolina).

Proponent name,³ location: Quality Colors LLC, High Point, NC.

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

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

Retroactive effect: None.

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

Disperse red 60 (1-amino-4-hydroxy-2-phenoxy-9,10-anthracenedione) (CAS No. 17418-58-5) (provided for in subheading 3204.11.50).

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 a synthetic organic dyestuff that is used to dye textiles. The product is imported from Canada, China, Germany, India, and Indonesia.

Estimated effect on customs revenue:

HTS subheading: 3204.11.50					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
Customs revenue loss 1/	\$325,000	\$325,000	\$325,000	\$325,000	\$325,000

1/ There was a duty suspension under HTS heading 9902.03.49 that expired on December 31, 2006.
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)	
Quality Colors LLC (Proponent) Kent Williams, 704-517-7964	05/01/2008	No	No	No
Arkema Charles Kitchen, Fax: 215-419-7075	05/01/2008	No	No	No
BASF Corp. Greg Thies, 202-904-2332	05/01/2008	No	No	No
Bayer Mike Gill, 202-508-8843	05/01/2008	No	No	No
Carey Industries, Inc. Raymond J. Carey, Fax: 203-791-2762	05/01/2008	No	No	No
Ciba Specialty Chemicals Corp. Michelle Forte, Fax: 914-785-4831	05/01/2008	No	No	No
Clariant Corp. Andrew Zamoyski, 202-415-9159	05/01/2008	No	No	No
Color Resources Int'l Inc. Wayne Jones, Fax: 864-862-6824	05/01/2008	No	No	No
Colorants & Textile Leather Chemicals Michael Strumpp, Fax: 973-426-3542	05/01/2008	No	No	No
ColorChem Steve Printz, Fax: 770-993-4780	05/01/2008	No	No	No
CPMA Larry Robinson, Fax: 703-684-1795	05/01/2008	No	No	No
Day-Glo Richard Thornton, Fax: 216-391-1408	05/01/2008	No	No	No
DyStar L.P. Van Hawkins, Fax: 704-561-3005	05/01/2008	No	No	No
ESCO Company Bruce Rice, 231-726-3106	05/01/2008	No	No	No
ETAD Tucker Helms, Fax: 202-296-8120	05/01/2008	No	No	No
Everlight USA, Inc. Scott Chen, Fax: 704-588-1004	05/01/2008	No	No	No
Fanwood Chemical, Inc. Jim DeLisi, Fax: 908-322-8494	05/01/2008	No	No	No
Fuji Film Imaging Colorants Inc. Michael Gill, 202-508-8843 Pat McGlinchey, Fax: 302-447-8103	05/01/2008	No	No	No
Huntsman International LLC John Deming, Johndeming@aol.com	04/04/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Kemira Chemicals Inc. Carolina Parez, Fax: 770-433-7672	05/01/2008	No	No	No
Milliken Industries Ray Sanders, Fax: 864-503-1618	05/01/2008	No	No	No
Monsanto Corp. Linda Strachan, Fax: 202-783-2467	05/01/2008	No	No	No
Nations Ford Chemical Co. John Dickson, 803-548-3210 (ext 14)	05/01/2008	No	No	No
Noveon Tom Dirmeyer, Fax: 512-841-4841	05/01/2008	No	No	No
Noviant Paul Schmidt, Fax: 512-841-4841	05/01/2008	No	No	No
Passaic Color John Wojciechowski, Fax: 973-279-3175	05/01/2008	No	No	No
Rohm & Haas Geoff Hurwitz, Fax: 703-741-5881	05/01/2008	No	No	No
Roma Color, Inc. Andrew Blum, Fax: 508-676-9011	05/01/2008	No	No	No
Sensient Technical Colors Dan Victor, Fax: 610-582-6663	05/01/2008	No	No	No
United Color Co. Tom Nowakowski, Fax: 215-860-8560	05/01/2008	No	No	No
Yorkshire Americas, Inc. Allen Hughes, Fax: 704-376-3091	05/01/2008	No	No	No

Technical comments:⁴

The Commission staff recommends that the article description of HTS heading 9902.03.49 be modified as shown on page 1 of this report to begin the article description with the Color Index name and to properly arrange the 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. 5256

To suspend temporarily the duty on disperse red 60.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 7, 2008

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

A BILL

To suspend temporarily the duty on disperse red 60.

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. DISPERSE RED 60.**

4 (a) IN GENERAL.—Heading 9902.03.49 of the Har-
5 monized Tariff Schedule of the United States (relating to
6 disperse red 60) is amended by striking “12/31/2006” and
7 inserting “12/31/2011”.

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