

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: October 6, 2008]²

Bill No. and sponsor: H.R. 5390 (Henry Brown of South Carolina).

Proponent name,³ location: LANXESS Corporation, Goose Creek, SC.

Other bills on product (110th Congress only): H.R. 4682 (Mr. Richard E. Neal of Massachusetts).

Nature of bill: Temporary duty reduction through December 31, 2011.

Retroactive effect: None.

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

N-phenyl-p-phenylenediamine (CAS No. 101-54-2) (provided for in subheading 2921.51.50).

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 product is an intermediate chemical that is used in the production of antidegradants, which offset the impact of ozone, heat, and mechanical wear on rubber products, such as tires. The proponent noted that it is also used in products such as hair dyes and inks. The product is imported from Belgium, China, Korea, and Germany.

Estimated effect on customs revenue:

HTS subheading: 2921.51.50					
 	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	\$77,000,000	\$77,000,000	\$77,000,000	\$77,000,000	\$77,000,000
Customs revenue loss ^{1/}	\$2,233,000	\$2,233,000	\$2,233,000	\$2,233,000	\$2,233,000

^{1/}The estimated customs revenue loss is based on a temporary reduction of the general rate of duty from 6.5 percent ad valorem to 3.6 percent ad valorem, a reduction of 2.9 percentage points.

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

¹ Industry analyst preparing report: Stephen Wanser (202-205-3363); 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.

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?
LANXESS Corporation (Proponent) Michael Assaf, 412-809-3687	04/18/2008	No	No	No
Abbott Laboratories Elaine Leavenworth, Fax: 202-783-6631	04/18/2008	No	No	No
American Chemistry Council Marty Durbin, Fax: 703-741-6097	04/18/2008	No	No	No
BASF Corporation Greg Thies, Fax: 703-255-7142	04/18/2008	No	No	No
Bayer Corporation Karen Niedermeyer, Fax: 412-777-4740	04/18/2008	No	No	No
Biddle Sawyer William Thonack, Fax: 212-239-1089	04/18/2008	No	No	No
Chemtura Corporation Matt Mattingley, Fax: 202-463-8497 Lloyd Moon, Fax: 203-573-2686	04/18/2008	No	No	No
Ciba Specialty Chemicals Robert Hurley, Fax: 202-289-3588	04/18/2008	No	No	No
Clariant Corporation Andrew Zamoyski, Fax: 202-248-9043	04/18/2008	No	No	No
Dow Chemical Lisa Schroeter, Fax: 202-429-3467	04/18/2008	No	No	No
DuPont Helen McMahon, Fax: 302-355-2994	04/18/2008	No	No	No
Eastman Chemical Company Greg Riddle, Fax: 212-835-1621	04/18/2008	No	No	No
Emerald Performance Materials Tom Dirmyer, Fax: 330-315-6480	04/18/2008	No	No	No
Honeywell International Art Simonetti, Fax: 202-662-2675	04/18/2008	No	No	No
Monsanto Corporation Grant Erdel, Fax: 202-789-1867	04/18/2008	No	No	No
Rhodia Dominick Cangiano, Fax: 609-860-2256	04/18/2008	No	No	No
Solutia Kassie D. Wooton, Fax: 314-674-1585	04/18/2008	No	No	No

Technical comments:⁴

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.

The Commission staff recommends that the article description on page 1 of this report be used in the proposed new heading because it contains the preferred chemical name. Also, the Commission staff notes that H.R. 4682 and H.R. 5390 cover the same product. H.R. 4682 would temporarily reduce the general rate of duty to 5 percent ad valorem, while H.R. 5390 would temporarily reduce the general rate of duty to 3.6 percent ad valorem. Only one bill should be enacted.

110TH CONGRESS
2^D SESSION

H. R. 5390

To reduce temporarily the duty on 4-ADPA.

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 reduce temporarily the duty on 4-ADPA.

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. 4-ADPA.**

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.____	4-Aminodiphenylamine (CAS No. 101-54-2) (provided for in subheading 2921.51.50) ...	3.6%	No change	No change	On or before 12/31/2011	”.
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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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