

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 110<sup>th</sup> Congress<sup>1</sup>**

[Date approved: March 17, 2008]<sup>2</sup>

**Bill No. and sponsor:** H.R. 3279 (Mr. Marion Berry of Arkansas).

**Proponent name,<sup>3</sup> location:** Ciba Specialty Chemicals, Tarrytown, NY.

**Other bills on product (110<sup>th</sup> Congress only):** None.

**Nature of bill:** Temporary duty suspension through December 31, 2009.

**Retroactive effect:** None.

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

*p*-Chlorobenzonitrile (CAS No. 623-03-0) (provided for in subheading 2926.90.14).

**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:**

*p*-Chlorobenzonitrile is a synthetic organic chemical that is used as a raw material in the manufacture of high value organic pigments that are used in automotive paint and plastic applications. It is imported from Germany.

**Estimated effect on customs revenue:**

| HTS subheading: <u>2926.90.14</u>       |             |             |             |             |             |
|---|-------------|-------------|-------------|-------------|-------------|
|   | 2009        | 2010        | 2011        | 2012        | 2013        |
| <del>Col. 1-General rate of duty</del>  | 6.5%        | 6.5%        | 6.5%        | 6.5%        | 6.5%        |
| Estimated value <i>dutiable</i> imports | \$5,841,000 | \$5,900,000 | \$6,000,000 | \$6,000,000 | \$6,000,000 |
| Customs revenue loss 1/                 | \$87,615    | \$383,500   | \$390,000   | \$390,000   | \$390,000   |

1/ A portion of the estimated customs revenue loss for 2009 reflects the existing duty reduction under HTS heading 9902.25.24 that expires on December 31, 2009.

Source of estimated dutiable import data: Industry estimates.

<sup>1</sup> Industry analyst preparing report: Robert Randall (202-205-3366); Tariff Affairs contact: David Michels (202-205-3440).

<sup>2</sup> Access to an electronic copy of this memorandum is available at [http://www.usitc.gov/tata/hts/other/rel\\_doc/bill\\_reports/](http://www.usitc.gov/tata/hts/other/rel_doc/bill_reports/).

<sup>3</sup> 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)                                     |                      |                   |
| Ciba Specialty Chemicals (Proponent)<br>Vince Livoti Tel: 914-785-4494<br><a href="mailto:vincent.livoti@ciba.com">vincent.livoti@ciba.com</a> | 12/11/2007     | No   | No                   | No                |
| Abbott Laboratories<br>Elaine Leavenworth Fax: 202-783-6631  | 12/19/2007     | No   | No                   | No                |
| Allegheny Color Corp.<br>Mary Gallisdorfer Fax: 814-772-1559   | 12/19/2007     | No   | No                   | No                |
| American Chemistry Council<br>Jim O'Connor Fax: 703-741-6922   | 12/19/2007     | No   | No                   | No                |
| Apollo Color, Inc.<br>Dave Klebine Fax: 815-744-2599   | 12/19/2007     | No   | No                   | No                |
| BASF Corp.<br>Phil Webb Fax: 704-587-8252  | 12/19/2007     | No   | No                   | No                |
| BASF Engelhard<br>Steve Carmenisch Fax: 502-775-7205   | 12/19/2007     | No   | No                   | No                |
| Bayer Corp.<br>Karen Niedermeyer Fax: 412-777-4740   | 12/19/2007     | No   | No                   | No                |
| Biddle Sawyer<br>William Thonack Fax: 212-239-1089   | 12/19/2007     | No   | No                   | No                |
| Blackman Uhler<br>Jeter Starnes Fax: 864-596-1501  | 12/19/2007     | No   | No                   | No                |
| CPMA<br>Larry Robinson Fax: 703-684-1795   | 12/19/2007     | No   | No                   | No                |
| Chemtura<br>Lloyd Moon Fax: 203-573-4430   | 12/19/2007     | No   | No                   | No                |
| Clariant Corp.<br>Andrew Zamoyski Fax: 401-823-2700  | 12/19/2007     | No   | No                   | No                |
| Day-Glo Corp.<br>Richard Thompson Fax: 216-391-1408  | 12/19/2007     | No   | No                   | No                |
| Diacolor-Pope, Inc.<br>Norman Russo Fax: 973-279-1256  | 12/19/2007     | No   | No                   | No                |
| DuPont<br>Helen McMahon Fax: 302-774-1398  | 12/19/2007     | No   | No                   | No                |

| Name of firm/organization  | Date contacted | Claim US makes same or competing product(s)? | Submission attached? | Opposition noted? |
|--|----------------|--|----------------------|-------------------|
|  |                | (Yes/No)                                     |                      |                   |
| Eastman Chemical<br>Jorge San Pedro Fax: 703-524-7707              | 12/19/2007     | No   | No                   | No                |
| Englehard<br>Steve Carmenisch Fax: 502-775-7205                    | 12/19/2007     | No   | No                   | No                |
| Fanwood Chemical<br>Jim DeLisi Fax: 908-322-8494                   | 12/19/2007     | No   | No                   | No                |
| Galaxie Chemical Corp.<br>Michael Santoro, Jr. Fax: 973-790-7104   | 12/19/2007     | No   | No                   | No                |
| Honeywell International<br>Art Simonetti Fax: 202-662-2675         | 12/19/2007     | No   | No                   | No                |
| LANXESS Corporation<br>Jamie B. Schaeffer Fax: 412-809-3614        | 12/19/2007     | No   | No                   | No                |
| Magruder Color Co., Inc.<br>Evan Weissglass Fax: 973-242-4087      | 12/19/2007     | No   | No                   | No                |
| Mason Color Works<br>Ann Mason Herdman Fax: 330-385-4488           | 12/19/2007     | No   | No                   | No                |
| Monsanto Corporation<br>Linda Strahan Fax: 202-789-1867            | 12/19/2007     | No   | No                   | No                |
| National Paint & Coatings Assn.<br>Bob Branand Fax: 202-546-3959   | 12/19/2007     | No   | No                   | No                |
| Nation Ford Chemical Co. (NFC)<br>John Dickson Fax: 803-548-2683   | 12/19/2007     | No   | No                   | No                |
| Noveon<br>Tom Dirmyer Fax: 216-447-5720                            | 12/19/2007     | No   | No                   | No                |
| PMC Specialties Group, Inc.<br>Gordon McCullough Fax: 513-482-7884 | 12/19/2007     | No   | No                   | No                |
| Rhodia Inc.<br>Dominick Cangiana Fax: 609-860-1842                 | 12/19/2007     | No   | No                   | No                |
| Roma Color, Inc.<br>Stuart Booth Fax: 508-676-9011                 | 12/19/2007     | No   | No                   | No                |
| Solutia<br>Sue Cannon Fax: 314-674-1585                            | 12/19/2007     | No   | No                   | No                |
| Sun Chemical<br>Ed Faulkner Fax: 513-632-1531                      | 12/19/2007     | No   | No                   | No                |

**Technical comments:**<sup>4</sup>

The Commission staff suggests that the existing heading, 9902.25.24, be used for the new duty suspension by changing the rate of duty from “1.5%” to “Free” and by modifying the effective date.

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<sup>4</sup> 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. 3279

To suspend temporarily the duty on 4-chloro-benzonitrile.

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## IN THE HOUSE OF REPRESENTATIVES

AUGUST 1, 2007

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

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## A BILL

To suspend temporarily the duty on 4-chloro-benzonitrile.

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-CHLORO-BENZONITRILE.**

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:

|   |            |   |      |           |           |                            |    |
|---|------------|---|------|-----------|-----------|----------------------------|----|
| “ | 9902.03.93 | 4-chloro-benzonitrile (pro-<br>vided for in subheading<br>2926.90.14) ..... | Free | No change | No change | On or before<br>12/31/2009 | ”. |
|---|------------|---|------|-----------|-----------|----------------------------|----|

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 enactment of this Act.

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