

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: March 20, 2008]²

Bill No. and sponsor: H.R. 4346 (Mr. Tim Murphy of Pennsylvania).

Proponent name,³ location: LANXESS Corporation, Pittsburgh, PA.

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

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

Retroactive effect: None.

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

Thionyl chloride (CAS No. 7719-09-7) (provided for in subheading 2812.10.50).

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:

Thionyl chloride is used to manufacture agricultural pesticides and pharmaceutical intermediates. The chemical is also used in the chemical industry as a mild chlorinating agent. A specialized use of thionyl chloride is to make protease inhibitors for HIV treatment. It is imported from Switzerland and Germany.

Estimated effect on customs revenue:

HTS subheading: <u>2812.10.50</u>					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty (AVE) ^{1/}	3.7%	3.7%	3.7%	3.7%	3.7%
Estimated value <i>dutiable</i> imports	\$1,500,000	\$1,500,000	\$1,500,000	\$1,784,000	\$1,784,000
Customs revenue loss ^{2/}	\$0	\$55,500	\$55,500	\$66,008	\$66,008

^{1/} There is an existing duty suspension under HTS heading 9902.28.01 that expires on December 31, 2009. Therefore, there will be no 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):

¹ Industry analyst preparing report: Jack Greenblatt (202-205-3353); Tariff Affairs contact: David 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 agrochemical companies.

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
LANXESS Corporation (Proponent) Laura Pearson, 202-872-8181	1/10/2008	No	No	No
Arkema Charles Kitchen, Fax: 215-419-7075	2/01/2008	No	No	No
BASF Corp. Greg Thies, 202-904-2332	2/01/2008	No	No	No
Bayer Corporate Services Karen Niedermeyer, 412-777-2058	2/01/2008	No	No	No
Bayer CropScience Will Hensley, 202-756-3781 Jean Reimers, 202-756-3779	2/01/2008	No	No	No
Chemtura Corp. Matt Mattingley, 202-463-8498	2/01/2008	No	No	No
CropLife America Isi Siddiqui, Fax: 202-463-0474 Lawrence Norton, Fax: 202-463-0474	2/01/2008	No	No	No
Dow AgroSciences Lisa Schroeter, Fax: 202-429-3467 Margaret Rogers, Fax: 202-429-3467 Max Turnipseed, Fax: 225-383-0590	2/01/2008	No	No	No
Dupont Elaine Olsen, 302-992-2263 Helen McMahon, Fax: 302-355-2994	2/01/2008	No	No	No
Emerald Performance Chemicals Tim Dirmyer, Fax: 330-315-6480	2/01/2008	No	No	No
FMC Corp. Jerry Prout, 202-956-5219	2/01/2008	No	No	No
Monsanto Corp. Michael Parrish, Fax: 202-789-1867	2/01/2008	No	No	No
Nufarm Ltd. Joel Junker, Fax: 206-621-8220	2/01/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Syngenta Crop Protection Angus Kelly, Fax: 336-632-6084 Mike Blythe, Fax: 336-632-6084 Dawn Stump, Fax: 202-347-7772	2/01/2008	No	No	No
Valent BioSciences Corp. Robin Demouth, 925-256-2758 Jed D'Ercole, 202-835-0740	2/01/2008	No	No	No
Valent USA Robin Demouth, 925-256-2758	2/01/2008	No	No	No

Contacts with pharmaceutical intermediate chemical companies.

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Abbott Laboratories Claude Burcky, Fax: 202-783-6631	2/01/2008	No	No	No
Bayer Corp. Karen Niedermeyer, 412-777-2058 Julie Van Egmund, Fax: 202-737-8909	2/01/2008	No	No	No
Bristol Myers Squibb David Warr, 202-783-0900	2/01/2008	No	No	No
Clariant Corporation Andrew Zamoyski, Fax: 202-248-9043 William Lyons, 202-326-0290	2/01/2008	No	No	No
Dupont Elaine Olsen, 302-992-2263 Helen McMahon, Fax: 302-355-2994	2/01/2008	No	No	No
Eli Lilly Kathryn Karol, 202-393-7950	2/01/2008	No	No	No
Gilead Sciences Cheryl Myriad, Fax: 650-522-5853	2/01/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
GlaxoSmithKline William Schuyler, 202-715-1000 Sara Froelich, Fax: 202-715-1001	2/01/2008	No	No	No
Interferon Sciences, Inc. Samuel Ronel, Fax: 732-249-6895	2/01/2008	No	No	No
Lonza, Inc. Ray Esposito, 201-316-9200	2/01/2008	No	No	No
Lubrizol Gregory Perun, Fax: 832-260-7340	2/01/2008	No	No	No
Merck & Co. Thomas Bombelles, 202-638-4170	2/01/2008	No	No	No
Monsanto Michael Parrish, 202-383-2849	2/01/2008	No	No	No
Niche Pharmaceuticals Steve Brandon, Fax: 817-491-3533	2/01/2008	No	No	No
Novartis Tracy Haller, Fax: 202-628-4763	2/01/2008	No	No	No
Pfizer Katherine Bennett, Fax: 202-347-2044	2/01/2008	No	No	No
Procter & Gamble Jim McCarthy, Fax: 202-393-4606	2/01/2008	No	No	No
Schering-Plough Rob Lively, 202-463-7372	2/01/2008	No	No	No
Watson Sarah Sweet, Fax: 951-270-1429	2/01/2008	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
1ST SESSION

H. R. 4346

To extend the suspension of duty on Thionyl chloride.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 11, 2007

Mr. TIM MURPHY of Pennsylvania introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To extend the suspension of duty on Thionyl chloride.

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. THIONYL CHLORIDE.**

4 (a) IN GENERAL.—Heading 9902.28.01 of the Har-
5 monized Tariff Schedule of the United States (relating to
6 Thionyl chloride) is amended by striking the date in the
7 effective period column and inserting “12/31/2011”.

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