UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110th Congress ¹

[Date approved: June 2, 2008]²

Bill No. and sponsor: H.R. 4648 (Mr. Gene Green of Texas).

Proponent name,³ location: Rhodia Inc., Cranbury, NJ.

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)):

Mixtures or coprecipitates of lanthanum phosphate, cerium-doped lanthanum phosphate, cerium

phosphate, and terbium phosphate (CAS Nos. 13778-59-1, 95823-34-0, 13454-71-2 and 13863-48-4) (provided for in subheadings 2846.10.00 and 2846.90.80).⁴

Check one:Same as that in bill as introduced.XDifferent from that in bill as introduced (see Technical comments section).

Product information, including uses/applications and source(s) of imports:

The subject product is used for the manufacture of phosphors. It is imported from France.

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.

⁴ According to a staff conversation with James Hedrick, rare earth specialist for the U.S. Geological Survey on March 25, 2008, U.S. Customs informed Mr. Hedrick that a mixture of cerium compounds and another rare earth compound or yttrium or scandium would be classified under HTS subheading 2846.10.00 (cerium compounds) as long as the cerium content is greater than 50 percent. If the cerium content is less than 50 percent, the mixture would be classified under HTS subheading 2846.90.80.

Estimated effect on customs revenue: 1/

HTS subheading: <u>2846.90.80</u>									
\searrow	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	\$12,000,000	\$12,000,000	\$12,000,000	\$12,000,000	\$12,000,000				
Customs revenue loss 2/	\$0	\$444,000	\$444,000	\$444,000	\$444,000				

^{1/} According to the proponent, imports under subheading 2846.10.00 are not expected to be significant during 2009-2013.

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)		
Rhodia Inc. (Proponent) Rick Valentine, 202-661-3802	3/10/2008	No	No	No
Chevron Mining Inc. (Molycorp Inc.) John Benfield, Fax: 760-856-2344	3/31/2008	No	No	No
Grand Northern Products JoAnn Kidd, Fax: 616-583-9061	3/31/2008	No	No	No
Johnson Matthey Robert Talley, Fax: 610-971-3022	3/27/2008	No	No	No
W.R. Grace Christy Stokrp, Fax: 410-531-8888	3/31/2008	No	No	No

Technical comments:⁵

The Commission staff suggests that the article description on page 1 of this report be used in heading 9902.23.05 to provide a clearer chemical description of the mixtures.

^{2/} There is an existing duty suspension under HTS heading 9902.23.05 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.

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. 4648

To extend the temporary suspension of duty on mixtures or coprecipitates of lanthanum phosphate, cerium phosphate, and terbium phosphate.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 13, 2007

Mr. Gene Green of Texas introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To extend the temporary suspension of duty on mixtures or coprecipitates of lanthanum phosphate, cerium phosphate, and terbium phosphate.

- 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. MIXTURES OR COPRECIPITATES OF LAN-
- 4 THANUM PHOSPHATE, CERIUM PHOSPHATE,
- 5 AND TERBIUM PHOSPHATE.
- 6 (a) IN GENERAL.—Heading 9902.23.05 of the Har-
- 7 monized Tariff Schedule of the United States is amended
- 8 by striking "12/31/2009" and inserting "12/31/2011".
- 9 (b) Effective Date.—The amendment made by
- 10 subsection (a) applies with respect to goods entered, or

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

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