

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: June 12, 2008]²

Bill No. and sponsor: H.R. 4863 (Mr. Wm. Lacy Clay of Missouri).

Proponent name,³ location: Sensient Technologies, St. Louis, MO.

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)):

2-Methyl-5-nitrobenzenesulfonic acid (CAS No. 121-03-9) (provided for in subheading 2904.90.20).

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 a synthetic organic chemical that is used as an intermediate in the manufacture of several pontamine dyes that are used by the paper industry. The subject product is imported from China.

Estimated effect on customs revenue:

HTS subheading: <u>2904.90.20</u>					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty	5.5%	5.5%	5.5%	5.5%	5.5%
Estimated value <i>dutiable</i> imports	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Customs revenue loss 1/	\$0	\$13,750	\$13,750	\$13,750	\$13,750

1/ There is an existing duty suspension under HTS heading 9902.29.23 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.

¹ Industry analyst preparing report: Jeff Clark (202-205-3318); 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 identified two additional beneficiaries of this bill. USITC staff sent inquiries to the named beneficiaries and received responses from both. One submitted a written representation that it would benefit from 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)		
Sensient Technologies (Proponent) Jim DeLisi, Fax: 908-322-8494	3/20/2008	No	No	No
BASF Corp. Greg Thies, Fax: 202-558-5101 David Bushnell, Fax: 301-654-8336 Cenan Ozmeral, Fax: 704-587-7903	3/24/2008	No	No	No
Bayer Corp. Karen Niedermeyer, Fax: 412-777-4740	3/24/2008	No	No	No
Ciba Specialty Chemicals Corp. Robert Hurley, Fax: 202-289-3588 Michelle Forte, Fax: 914-785-4831	3/24/2008	No	No	No
Clariant Corp. Andy Zamoyski, Fax: 202-248-9043	3/28/2008 4/3/2008 4/4/2008	No	No	No
ColorChem Steve Printz, Fax: 770-993-4780	3/24/2008	No	No	No
Color Resources International, Inc. Wayne Jones, Fax: 864-862-6824	3/24/2008	No	No	No
Day-Glo Eugene Crojac, Fax: 216-391-1408	3/24/2008	No	No	No
DyStar L.P. Ron Pedemonte, Fax: 704-561-3005	3/24/2008	No	No	No
Emerald Performance Chemicals Tom Dirmyer, Fax: 330-315-6480	3/24/2008	No	No	No
ETAD Tucker Helms, Fax: 202-296-8120	3/24/2008	No	No	No
Everlight USA, Inc. Scott Chen, Fax: 704-588-0051	3/24/2008	No	No	No
Fujifilm Imaging Colorants, Inc. Mike Gill, Fax: 202-628-5116 Pat McGlinchey, Fax: 302-477-8103	3/24/2008	No	No	No
Huntsman Corp. John Deming, Fax: 302-479-5499	3/24/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
Kemira Chemicals, Inc. Carolina Perez, 678-819-4675	3/28/2008 3/30/2008 4/3/2008	No	No	No
LANXESS Corp. Seth Tomei, Fax: 412-809-3614 Jamie Schaeffer, Fax: 412-809-3614	3/24/2008	No	No	No
Milliken Ray Sanders, Fax: 864-503-1618	3/24/2008	No	No	No
Monsanto Corp. Grant Erdel, Fax: 202-789-1867	3/24/2008	No	No	No
NFC John Dickson, Fax: 803-548-2683	3/24/2008	No	No	No
Passaic Color John Wojciechowski, Fax: 973-279-3175	3/24/2008	No	No	No
Rohm & Haas Geoff Hurwitz, Fax: 703-741-5884	3/24/2008	No	No	No
United Color Tom Nowakowski, Fax: 215-860-8560	3/24/2008	No	No	No

Technical comments:⁴

The Commission staff recommends including additional language to strike heading 9902.02.36 from chapter 99 of the HTS. This is an expired provision for the same product.

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. 4863

To extend the temporary suspension of duty on 2-Methyl-5-nitrobenzenesulfonic acid.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 19, 2007

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

A BILL

To extend the temporary suspension of duty on 2-Methyl-5-nitrobenzenesulfonic acid.

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. 2-METHYL-5-NITROBENZENESULFONIC ACID.**

4 (a) IN GENERAL.—Heading 9902.29.23 of the Har-
5 monized Tariff Schedule of the United States is amended
6 by striking “12/31/2009” and inserting “12/31/2011”.

7 (b) EFFECTIVE DATE.—The amendment made by
8 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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