

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: September 9, 2008]²

Bill No. and sponsor: H.R. 5225 (Mr. Jo Bonner of Alabama).

Proponent name,³ location: Evonik Industries, Parsippany, NJ.

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

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

Retroactive effect: None.

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

Diethyl malonate (CAS No. 105-53-3) (provided for in subheading 2917.19.70).

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 organic chemical that is used as an intermediate to make a variety of downstream products, including adhesives and pharmaceutical intermediates. The product is imported from China and Germany.

Estimated effect on customs revenue:

HTS subheading: 2917.19.70					
 	2009	2010	2011	2012	2013
Col. 1-General rate of duty	4.0%	4.0%	4.0%	4.0%	4.0%
Estimated value <i>dutiable</i> imports	\$3,300,000	\$3,300,000	\$3,300,000	\$3,300,000	\$3,300,000
Customs revenue loss	\$132,000	\$132,000	\$132,000	\$132,000	\$132,000

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

¹ Industry analyst preparing report: Larry Johnson (202-205-3351); Tariff Affairs contact: Dave 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?
			(Yes/No)	
Evonik Industries (Proponent) Ron Birnbaum, 973-541-8391	06/23/2008	No	No	No
Abbott Laboratories Elaine Leavenworth, Fax: 202-783-6631	06/23/2008	No	No	No
American Chemistry Council Marty Durbin, Fax: 703-741-6097	06/23/2008	No	No	No
Archimica USA Andrew Zamoyski, Fax: 401-823-2700	06/23/2008	No	No	No
Bayer Healthcare K. Niedermeyer, Fax: 412-777-4740	06/23/2008	No	No	No
Biddle Sawyer William Thonack, Fax: 212-239-1089	06/23/2008	No	No	No
Bristol-Myers Squibb David Warr, David.Warr@BMS.com	06/03/2008	No	No	No
Ciba Specialty Chemicals John Deming, Fax: 302-479-5152	06/23/2008	No	No	No
Clariant Corporation Andrew Zamoyski, Fax: 401-823-2700	06/23/2008	No	No	No
Dow Chemical Max Turnipseed, Fax: 225-383-0590	06/01/2008	No	No	No
Dupont Elaine Olsen, Fax: 302-355-2994	06/23/2008	No	No	No
Eastman Chemical Greg Riddle, Fax: 703-524-7707	06/23/2008	No	No	No
Eli Lilly Desiree Filippone, Filippone_D@Lilly.com	06/23/2008	No	No	No
Fanwood Chemical Jim DeLisi, Fax: 908-322-8494	06/23/2008	No	No	No
GlaxoSmithKline William Schuyler, William.J.Schuyler@gsk.com	06/23/2008	No	No	No
Honeywell International Art Simonetti, Fax: 202-662-2675	06/23/2008	No	No	No
Lonza, Inc. Sheri Donno, Sheri.Donno@lonza.com	06/23/2008	No	No	No
Merck & Co. T. Bombelles, thomas_bombelles@merck.com	06/23/2008	No	No	No
Monsanto Michael Parrish, Michael.Parrish@monsanto.com	06/23/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Novartis Tracy Haller, tracy.haller@novartis.com	06/23/2008	No	No	No
Pfizer A. Barone, Anthony.Barone@pfizer.com	06/23/2008	No	No	No
Procter & Gamble Jim McCarthy, McCarthy.JR@pg.com	06/23/2008	No	No	No
Rhein Chemie Corp. Robert Leo, robert.leo@mscustoms.com	06/23/2008	No	No	No
Rhodia Inc. Dominick Cangiano, Fax: 609-860-1841	06/23/2008	No	No	No
Schering-Plough Rob Lively, robert.lively@spcorp.com	06/23/2008	No	No	No
Solutia Dan Jenkins, Fax: 314-674-1585	06/23/2008	No	No	No
Uniroyal Lloyd Moon, Fax: 203-573-4430	06/23/2008	No	No	No
Watson Pharmaceuticals Sara Swee, Sara.Swee@watson.com	06/23/2008	No	No	No

Technical comments:⁴

The Commission staff recommends that the article description on page 1 of this report be used in the proposed new heading in order to provide a simplified chemical name.

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
2D SESSION

H. R. 5225

To suspend temporarily the duty on Propanedioic acid, diethyl ester.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 6, 2008

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

A BILL

To suspend temporarily the duty on Propanedioic acid,
diethyl ester.

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. PROPANEDIOIC ACID, DIETHYL ESTER.**

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:

“	9902.01.00	Propanedioic acid, diethyl ester (CAS No. 105–53–3) (provided for in subheading 2917.19.70)	Free	No change	No change	On or before 12/31/2011	”.
---	------------	------------------------------------------------------------------------------------------------------------	------	-----------	-----------	----------------------------	----

1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) applies to goods entered, or withdrawn from
3 warehouse for consumption, on or after the 15th day after
4 the date of the enactment of this Act.

○