

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress¹**

[Date approved: July 26, 2005]²

Bill No. and sponsor: H.R. 638 (Ms. Kaptur)

Proponent name, location: Perstorp Polyols, Inc.
Toledo, OH

Other bills on product (109th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2008.

Retroactive effect: None.

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

Mixture of 2-butyl-2-ethylpropane-1,3-diol (CAS No. 115-84-4) and neopentyl glycol (CAS No. 126-30-7) (provided for in subheading 3824.90.91).

Check one: Same as that in bill as introduced
 Different from that in bill as introduced (explain differences in Technical
 comments section)

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

The subject mixture is used as a component of architectural and industrial coatings (i.e., paints) and also used to make heat stabilizers for polyethylene and polypropylene.

The chemical is imported from Perstorp Oxo Intermediates (Belgium).

¹ Industry analyst preparing report: Eric Land (202-205-3349); Tariff Affairs contact: Dave Michels (202-205-3440).

² Access to an electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

Estimated effect on customs revenue:

HTS subheading: 3824.90.91					
 	2005	2006	2007	2008	2009
Col. 1-General rate of duty (AVE) <u>1/</u>	5.0%	5.0%	5.0%	5.0%	5.0%
Estimated value <i>dutiable</i> imports	\$262,500	\$276,000	\$289,500	\$304,000	319,500
Customs revenue loss	\$13,125	\$13,800	\$14,475	\$15,200	\$15,975

1/ The AVE is the ad valorem equivalent of a specific or compound duty rate expressed as a percent, using the most recent import data available.

Source of estimated dutiable import data: Industry estimates and Commission estimates.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	US production of same or competitive product claimed?	Submission attached?	Opposition noted?
		(Yes/No)		
Perstorp Polyols, Inc. (Proponent) Jeff Jones, (419) 729-5448	6/8/2005	No	No	No
Bayer Corp., Polyurethanes Div. Marketing Mgr., FAX (248) 475-7701	6/8/2005	No	No	No
Carbomer, Inc. Marketing Mgr., FAX (508) 898-0432	6/8/2005	No	No	No
Harvin Reaction Technology, Inc. Marketing Mgr., FAX (336) 294-0897	6/8/2005	No	No	No
Ruco Polymers Marketing Mgr., FAX (516) 931-8197	6/8/2005	No	No	No
Solvay Interox Marketing Mgr., FAX (713) 524-9032	6/8/2005	No	No	No
Total Specialty Chemicals, Inc. Marketing Mgr., FAX (203) 966-1505	6/8/2005	No	No	No
Vopak USA Inc. Marketing Mgr., FAX (425) 889-4100	6/8/2005	No	No	No

Technical comments:³

The Commission suggests that the article description provided on page 1 of this report be used in the proposed new heading, to provide for a correct chemical name and to remove incorrect capitalization.

The Commission also suggests that the phrase “No change” be inserted in lieu of “Free” in the special subcolumn of the proposed new heading.

³ 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.

109TH CONGRESS
1ST SESSION

H. R. 638

To suspend temporarily the duty on BEPD70L.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 8, 2005

Ms. KAPTUR introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To suspend temporarily the duty on BEPD70L.

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. BEPD70L.**

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:

“	9902.07.03	Mixture of BEPD and Neopentyl Glycol (CAS Nos. 115- 84-4 and 126- 30-7) (provided for in subheading 3824.90.91)	Free	Free	No change	On or before 12/31/2008	”.
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1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) applies with respect to goods entered, or
3 withdrawn from warehouse for consumption, on or after
4 the 15th day after the date of the enactment of this Act.

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