

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. 643 (Ms. Kaptur)

Proponent name, location: Perstorp Polyols, Inc.
Toledo, OH 43612

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)):

Poly(oxy-1,2ethanediyl), α -hydro- ω -hydroxy-ether with 2,2'-(oxybis(methylene)) bis(2-hydroxymethyl)-1,3-propanediol) (6:1). (CAS No. 50977-32-7) (provided for in subheading 3907.20.00).

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:

This product is an ethoxylated dipentaerythritol polymer used to make acrylates, which, in turn, are used to make certain inks and coatings that are cured using ultraviolet light. It is also used as a crosslinking agent in polyurethane foams, and as a chemical building block. The proponent imports the subject experimental product as a clear liquid under the trade name Polyol DPP® 130, from its plant in Sweden.

¹ Industry analyst preparing report: Ray Cantrell (202-205-3362); 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: 3907.20.00					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty (AVE) <u>1/</u>	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$22,000	\$44,000	\$55,000	\$65,000	\$85,000
Customs revenue loss	\$1,430	\$2,860	\$3,575	\$4,225	\$5,525

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: Commission and industry 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) Ms. Evelyn M. Suarez (202) 293-8116	6/5/2005	No	No	No
Ms. Marcy Kaptur (Sponsor) Ms. Jessica Roach (202) 225-4146	6/5/2005	No	No <u>1/</u>	No
American Plastics Council Ms. Jean M. Vallianos (703) 741-5610	6/7/2005	No	No	No
Avecia Limited (Crowell and Moring) Ms. Melissa Coyle (202) 624-2500	6/5/2005	No	No	No
Bayer Corporation Ms. Karen L. Niedermeyer (412) 777-2058	6/5/2005	No	No	No
LANXESS Corporation Mr. Seth Tomei (412) 809-3664	6/7/2005	No	Yes	No
Rohm and Haas Company Mr. Henry P. Stobenau (215) 628-4919	6/5/2005	No	Yes	No
Solutia Inc. Mr. Bob Hurley (202) 289-9800	6/5/2005	No	No	No

1/ Ms. Roach submitted e-mail attachments provided on the identical bill (H.R. 1979, 108th Congress).

Technical comments:³

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

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. 643

To suspend temporarily the duty on Polyol DPP (DPP).

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 Polyol DPP (DPP).

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. POLYOL DPP (DPP).**

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:

“	9902.07.08	Ethoxylated Dipentaerythritol (CAS No. 50977-32-7) (provided for in subheading 3907.20.00)	Free	Free	No change	On or before 12/31/2008	”.
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8 (b) EFFECTIVE DATE.—The amendment made by
9 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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