

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: : August 1, 2005]²

Bill No. and sponsor: H.R. 1609 (Mr. Holt).

Proponent name, location: Nutrinova (headquarters)
Somerset, NJ

Other bills on product (109th Congress only): S. 700 (Mr. Lautenberg).

Nature of bill: Temporary duty reduction to 1.4% until 12/31/2008.

Retroactive effect: None.

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

Potassium sorbate (CAS No. 24634-61-5) (Provided for in subheading 2916.19.10).

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 chemical is a white powder chiefly used as an antimicrobial in food and beverage products.

The chemical is imported primarily from China, Japan, and Germany.

¹ Industry analyst preparing report: Robert Randall (202-205-3366); Tariff Affairs contact: David Michels (202-205-3440).

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

Estimated effect on customs revenue:

HTS subheading: 2916.19.10					
 	2005	2006	2007	2008	2009
Col. 1-General rate of duty (AVE) <u>1/</u>	3.1%	3.1%	3.1%	3.1%	3.1%
Estimated value <i>dutiable</i> imports	\$29,370,000	\$29,957,000	\$30,556,000	\$31,168,000	\$31,791,000
Customs revenue loss <u>2/</u>	\$499,290	\$509,269	\$519,452	\$529,856	\$540,447

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.

2/ The AVE for this product during the period is 3.1 percent. The new provision would have as AVE of 1.4 percent during the period. The difference between these two rates is 1.7 percent, and the revenue loss shown reflects that figure.

Source of estimated dutiable import data: 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)		
Nutrinova Nutrition Specialties & Food Ingredients (Proponent) Robert R. Carpenter (202) 443-8685	5/19/2005	No	No	No
Aceto Corporation Marketing Mgr., FAX (516) 627-6093	5/31/2005	No	No	No
Alfa Aesar Marketing Mgr., FAX (978) 521-6366	5/31/2005	No	No	No
American Tartaric Products, Inc. Marketing Mgr., FAX (914) 834-4611	5/31/2005	No	No	No
Ashland Distributing Company Fine Ingredients Division Marketing Mgr., FAX (614) 790-4427	5/31/2005	No	No	No

Charkit Chemical Corp. Marketing Mgr., FAX (203) 655-8643	5/31/2005	No	No	No
Eastman Chemical Co. Marketing Mgr., FAX (423) 229-1673	5/31/2005	No	No	No
Hawkins Inc. Marketing Mgr., FAX (612) 331-5304	5/31/2005	No	No	No
International Sourcing Inc. Marketing Mgr., FAX (201) 560-1156	5/31/2005	No	No	No
JLM Marketing, Inc. Marketing Mgr., FAX (813) 632-3301	5/31/2005	No	No	No
Los Angeles Chemical Co. Marketing Mgr., FAX (323) 773-0909	5/31/2005	No	No	No
Parchem Trading Ltd. Marketing Mgr., FAX (914) 997-1025	5/31/2005	No	No	No
Penta Manufacturing Co. Marketing Mgr., FAX (973) 740-1839	5/31/2005	No	No	No
Rit-Chem Co. Inc. Marketing Mgr., FAX (914) 769-1408	5/31/2005	No	No	No
Ruger Chemical Co. Inc. Marketing Mgr., FAX (814) 238-1567	5/31/2005	No	No	No
V.L. Clark Chemical Co. Marketing Mgr., FAX (636) 583-5218	5/31/2005	No	No	No
Vopak USA Inc. Marketing Mgr., FAX (425) 889-4100	5/31/2005	No	No	No
Westco Chemicals, Inc. Marketing Mgr., FAX (818) 255-3650	5/31/2005	No	No	No

Technical comments:³ None.

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. 1609

To reduce until December 31, 2008, the duty on potassium sorbate.

IN THE HOUSE OF REPRESENTATIVES

APRIL 13, 2005

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

A BILL

To reduce until December 31, 2008, the duty on potassium sorbate.

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. POTASSIUM SORBATE.**

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:

“	9902.06.26	Potassium sorbate (CAS No. 24634-61-5) (provided for in subheading 2916.19.10) ..	1.4%	No change	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

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

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