

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 109<sup>th</sup> Congress<sup>1</sup>**

[Date approved: September 20, 2005]<sup>2</sup>

**Bill No. and sponsor:** H.R. 1785 (Mr. William L. Jenkins of Tennessee)

**Proponent name, location:** Eastman Chemical Corp.  
Kingsport, TN

**Other bills on product (109<sup>th</sup> 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)):**

2,4-Xylidine (CAS No. 95-68-1) (provided for in subheading 2921.49.10).

**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:**

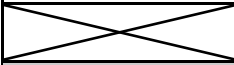
2,4-Xylidine is a synthetic organic chemical. Eastman imports 2,4-xylidine from Germany, and uses it to produce a ketene derivative in its Kingsport, Tennessee plant. The ketene derivative is used to make pigments.

This chemical intermediate is also imported by Clariant to be used in the manufacture of pigments specifically for the printing-ink market. It may also be used as a color-former for manufacturing thermal paper. Clariant imports this product from one of its affiliates located in Germany.

<sup>1</sup> Industry analyst preparing report: Eric Land (202-205-3349); Tariff Affairs contact: Dave Michels (202-205-3352).

<sup>2</sup> Access to an electronic copy of this memorandum is available at [www.usitc.gov/tata/hts/other/rel\\_doc/bill\\_reports/index.htm](http://www.usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm).

**Estimated effect on customs revenue:**

<b>HTS subheading: 2921.49.10</b>					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	5.8%	5.8%	5.8%	5.8%	5.8%
Estimated value <i>dutiable</i> imports	\$1,300,000	\$1,350,000	\$1,400,000	\$1,450,000	\$1,500,000
Customs revenue loss <u>1/</u>	\$75,400	\$78,300	\$81,200	\$84,100	\$87,000

1/ Revenue loss for 2005 and 2006 results from a current suspension of duty per heading 9902.05.28. 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?
Eastman Chemical Co. (Proponent) Jorge San Pedro (703)524-7653	6/22/2005	No	No	No
Allegheny Color Corp. Marv Gallisdorfer (814)772-1559	6/8/2005	No	No	No
Apollo Color, Inc. Patty Hines (815)741-2599	6/8/2005	No	No	No
AtoFina Cerexagri Charles Kitchin (703)527-2092	6/8/2005	No	No	No
Aventis Jean Reimers (202)628-6622	6/8/2005	No	No	No
BASF Corp. Phil Webb (704)398-4399	6/28/2005	No	No	No
BASF Corp. Greg Theis (202)682-9459	6/28/2005	No	No	No
BASF, Funct. Polymers Bus. Group Joseph C. Breunig (704)587-7903	6/28/2005	No	No	No

Bayer Corporation William Hensley (202)628-6622	6/28/2005	No	No	No
Bayer Corporation Karen Neidermeyer (412)777-7743	6/28/2005	No	No	No
BF Goodrich Paul J. Schmidt (513)841-4841	6/28/2005	No	No	No
Blackman Uhler Peter Starnes (864)596-1501	6/28/2005	No	No	No
Carey Industries, Inc. Raymond J. Carey (203)791-2762	6/28/2005	No	No	No
Ciba Specialty Chemicals Corp. John Deming (410)715-4552	6/28/2005	No	No	No
Ciba Specialty Chemicals Corp. Michelle Forte (914)785-4831	6/28/2005	No	No	No
Clariant Corp. Andrew Zamoyski (401)823-2575	6/28/2005	No	No	No
Clariant Corp. Ken Golder (704)377-1063	6/28/2005	No	No	No
CPMA Larry Robinson (703)684-1795	6/28/2005	No	No	No
Color Resources Int'l. Inc. Wayne Jones (864)862-6824	6/28/2005	No	No	No
Colorants & Textile Leather Chemicals Michael Strumpp (973)426-3542	6/28/2005	No	No	No
ColorChem Steve Printz (770)993-4780	6/28/2005	No	No	No
Crop Life America Lawrence Norton (202)463-0474	6/28/2005	No	No	No
Daicolor-Pope, Inc. Norman Russo (973)279-1256	6/28/2005	No	No	No
Day-Glo Richard Thornton (216)391-1408	6/28/2005	No	No	No
Dow Agro Science Margaret Rogers (202)429-3467	6/28/2005	No	No	No

DyStar L.P. Van Hawkins (704)561-3005	6/28/2005	No	No	No
E.I. duPont Elaine Olson (302)992-2263	6/28/2005	No	No	No
E.I. DuPont Nancy Johnson (202)728-3649	6/28/2005	No	No	No
Engelhard Corp. Rolan Valin (732)321-0250	6/28/2005	No	No	No
ETAD Tucker Helms (202)296-8120	6/28/2005	No	No	No
Everlight USA, Inc. Scott Chen (704)588-0051	6/28/2005	No	No	No
Fabricolor Manuf. Corp. James A. Silver (973)742-0311	6/28/2005	No	No	No
Fanwood Chemical, Inc. Jim DeLisi (908)322-8494	6/28/2005	No	No	No
FMC Corp. Jerry Prout (202)956-5235	6/28/2005	No	No	No
Galaxie Chemical Corp. Michael Santoro, Jr. (973)790-7104	6/28/2005	No	No	No
Griffin Corp. James Whatley (800)248-5154	6/28/2005	No	No	No
Magruder Color Co., Inc. Joel Weissglass (973)642-3532	6/28/2005	No	No	No
Mason Color Works, Inc. Carol Mason Cronin (330)385-4488	6/28/2005	No	No	No
Max Marx Color Corp. Tom Doty (973)373-9301	6/28/2005	No	No	No
Milliken Ray Sanders (864)503-1618	6/28/2005	No	No	No
Monsanto Corp. Linda Strachan (202)783-2467	6/28/2005	No	No	No
Nat'l. Paint & Coatings Assn. Bob Branard (202)546-3959	6/28/2005	No	No	No

NFC John Dickson (803)548-2683	6/28/2005	No	No	No
Noviant Paul Schmidt (512)841-4841	6/28/2005	No	No	No
Passaic Color John Wojciechowski (973)279-3175	6/28/2005	No	No	No
PMC Inc. Gordon McCollough (513)482-7884	6/28/2005	No	No	No
Rohm & Haas Steven Volger (215)592-2550	6/28/2005	No	No	No
Roma Color, Inc. Andrew Blum (508)676-9011	6/28/2005	No	No	No
Sensient Technical Colors Dan Victor (610)582-6663	6/28/2005	No	No	No
Sun Chemical Ed Faulkner (513)632-1531	6/28/2005	No	No	No
Syngenta Mike Blythe (336)632-6084	6/28/2005	No	No	No
Uhlich Color Co. Abdul Saleh (520)577-0038	6/28/2005	No	No	No
Uhlich Color Co. Tom Nowakowski (215)860-8560	6/28/2005	No	No	No
Valent USA Robin Demouth (925)256-2776	6/28/2005	No	No	No
Yorkshire Americas, Inc. Allen Hughes (704)376-3091	6/28/2005	No	No	No

**Technical comments:**<sup>3</sup>

The Commission notes that HTS heading 9902.05.28 currently provides a temporary duty suspension for 2,4-xylidene until December 31, 2006. The Commission suggests that the bill be redrafted to modify heading 9902.05.28 of the HTS by striking the date "12/31/2006" and inserting in lieu thereof "12/31/2008".

<sup>3</sup> 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. 1785

To suspend temporarily the duty on 2,4-Xylidine.

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IN THE HOUSE OF REPRESENTATIVES

APRIL 21, 2005

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

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## A BILL

To suspend temporarily the duty on 2,4-Xylidine.

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. 2,4-XYLIDINE.**

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:

“	9902.04.55	2,4-Xylidine (CAS No. 95-68-1) (provided for in sub-heading 2921.49.10) .....	Free	No change	No change	On or before 12/31/2008	”.
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8 (b) EFFECTIVE DATE.—The amendments made by  
9 subsection (a) apply to articles entered, or withdrawn from

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

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