

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: November 7, 2005]²

Bill No. and sponsor: H.R. 1840 (Mr. J. Randy Forbes of Virginia)

Proponent name, location: Ciba Specialty Chemicals
St. Gabriel, LA

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)):

5,5-Bis[(γ , ω -perfluoro(C₄₋₂₀)alkylthio)methyl]-2-hydroxy-2-oxo-1,3,2-dioxaphosphorinane, ammonium salt (CAS No. 148240-85-1) and 2,2-bis[(γ , ω -perfluoro(C₄₋₂₀)alkylthio)methyl]-3-hydroxypropyl phosphate, diammonium salt (CAS No. 148240-87-3) and di-[2,2-bis[(γ , ω -perfluoro(C₄₋₂₀)alkylthio)methyl]]-3-hydroxypropyl phosphate, ammonium salt (CAS No. 148240-89-5) and 2,2-bis[(γ , ω -perfluoro(C₄₋₂₀)alkylthio)methyl]-1,3-di-(dihydrogenphosphate)propane, tetraammonium salt (provided for in subheading 3809.92.50)

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

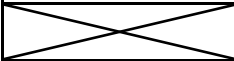
Product information, including uses/applications and source(s) of imports:

The subject chemical is used in the manufacture of specialty paper products to impart certain oil- and grease-resistant properties to finished paper/paperboard product. Ciba Specialty Chemicals imports the subject chemical from its affiliated plant in Germany.

¹ Industry analyst preparing report: Jeff Clark (202-205-3318); 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: <u>3809.92.50</u>					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	6%	6%	6%	6%	6%
Estimated value <i>dutiable</i> imports	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
Customs revenue loss	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000

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)		
Ciba Specialty Chemicals (proponent) John Deming, 302-479-5499	6/23/2005	No	No	No
Clariant Corporation Andrew Zamoyski, 401-823-2230	6/23/2005	No	No	No
Du Pont Chemical Elaine Olsen, 302-992-2263	6/23/2005	No	No	No

Technical comments:³

The Commission suggests that the article description on page 1 of this report be used in the proposed new heading in order to insert the CAS Numbers and to correct various nomenclature and spelling errors.

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. 1840

To suspend temporarily the duty on 5,5-bis[(y,w-perfluoroC4–20alkylthio)methyl]-2-hydroxy-2-oxo-1,3,2-dioxaphosphorinane, ammonium salt and 2,2-bis[(y,w-perfluoroC4–20alkylthio)methyl]-3-hydroxy propyl phosphate, di-ammonium salt and Di-[2,2-bis[(y,w-perfluoroC4–20alkylthio)methyl]]-3-hydroxy propyl phosphate, ammonium salt and 2,2-bis[(y,w-perfluoroC4–20alkylthio)methyl]-1,3-di-(dihydrogenphosphate)-propane, tetra-ammonium salt.

IN THE HOUSE OF REPRESENTATIVES

APRIL 26, 2005

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

A BILL

To suspend temporarily the duty on 5,5-bis[(y,w-perfluoroC4–20alkylthio)methyl]-2-hydroxy-2-oxo-1,3,2-dioxaphosphorinane, ammonium salt and 2,2-bis[(y,w-perfluoroC4–20alkylthio)methyl]-3-hydroxy propyl phosphate, di-ammonium salt and Di-[2,2-bis[(y,w-perfluoroC4–20alkylthio)methyl]]-3-hydroxy propyl phosphate, ammonium salt and 2,2-bis[(y,w-perfluoroC4–20alkylthio)methyl]-1,3-di-(dihydrogenphosphate)-propane, tetra-ammonium salt.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 SECTION 1. SUSPENSION OF DUTY ON 5,5-BIS[(Y,W-
 2 PERFLUOROC4-20ALKYLTHIO)METHYL]-2-HY-
 3 DROXY-2-OXO-1,3,2-DIOXAPHOSPHORINANE,
 4 AMMONIUM SALT AND 2,2-BIS[(Y,W-
 5 PERFLUOROC4-20ALKYLTHIO)METHYL]-3-HY-
 6 DROXY PROPLY PHOSPHATE, DI-AMMONIUM
 7 SALT AND DI-[2,2-BIS[(Y,W-PERFLUOROC4-
 8 20ALKYLTHIO)METHYL]]-3-HYDROXY PROPLY
 9 PHOSPHATE, AMMONIUM SALT AND 2,2-
 10 BIS[(Y,W-PERFLUOROC4-
 11 20ALKYLTHIO)METHYL]-1,3-DI-
 12 (DIHYDROGENPHOSPHATE)-PROPANE,
 13 TETRA-AMMONIUM SALT.

14 (a) IN GENERAL.—Subchapter II of chapter 99 of
 15 the Harmonized Tariff Schedule of the United States is
 16 amended by inserting in numerical sequence the following
 17 new heading:

“	9902.38.43	5,5-bis[(y,w-perfluoroC4-20alkylthio)methyl]-2-hydroxy-2-oxo-1,3,2-dioxaphosphorinane, ammonium salt and 2,2-bis[(y,w-perfluoroC4-20alkylthio)methyl]-3-hydroxy propyl phosphate, diammonium salt and Di-[2,2-bis[(y,w-perfluoroC4-20alkylthio)methyl]]-3-hydroxy propyl phosphate, ammonium salt and 2,2-bis[(y,w-perfluoroC4-20alkylthio)methyl]-1,3-di-(dihydrogenphosphate)-propane, tetra-ammonium salt (provided for in subheading 3809.92.50)	Free	No Change	No Change	On or Before 12/31/2008	”.
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1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) applies to articles entered, or withdrawn
3 from warehouse for consumption, on or after the 15th day
4 after the date of the enactment of this Act.

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