MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109th Congress ¹

[Date approved: June 9, 2006]²

Bill No. and sponsor: S. 1676 (Mr. Rick Santorum of Pennsylvania).

Proponent name, location: LANXESS Corporation, Pittsburgh, PA.

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

Nature of bill: Temporary duty reduction through December 31, 2009.

Retroactive effect: None.

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

2-Methylaniline (CAS No. 95-53-4) (provided for in subheading 2921.43.90).

Check one: \underline{X} Same as that in bill as introduced.

____ Different from that in bill as introduced (see Technical comments section).

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

The subject product is a synthetic organic chemical intermediate that is used to manufacture the herbicide Acetechlor, which is used on a broad spectrum of early season weeds. The subject product is imported from Germany.

Estimated effect on customs revenue:

HTS subheading: <u>2921.43.90</u>									
\searrow	2006	2007	2008	2009	2010				
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%				
Estimated value <i>dutiable</i> imports	\$10,600,000	\$10,600,000	\$10,600,000	\$10,600,000	\$10,600,000				
Customs revenue loss 1/	\$498,200	\$498,200	\$498,200	\$498,200	\$498,200				

1/ The estimated Customs revenue loss is based on a reduction of the general rate of duty from 6.5 percent ad valorem to 1.8 percent ad valorem, a reduction of 4.7 percent. Source of estimated dutiable import data: Industry estimates.

¹ Industry analyst preparing report: Stephen Wanser (202-205-3363); Tariff Affairs contact: David Michels (202-205-3440).

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

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

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
LANXESS Corporation (Proponent) James Schaeffer, Fax: 412-809-3614	03/12/2006	No	No	No
Arkema Inc. (Atofina) Charles Kitchin, Fax: 703-527-2092	03/12/2006	No	No	No
BASF Corp. Greg Thies, Fax: 202-558-5101	03/12/2006	No	No	No
Bayer CropScience Mike Gill, 202-508-8843	03/12/2006	No	No	No
Crop Life America Lawrence Norton, Fax: 202-463-0474	03/12/2006	No	No	No
Dow Chemical/Dow AgroScience Max Turnipseed, 225-338-0310	03/12/2006	No	No	No
DuPont Nancy Johnson, Fax: 202-728-3649	03/12/2006	No	No	No
FMC Corp. Jerry Prout, Fax: 202-956-5235	03/12/2006	No	No	No
Monsanto Corp. Michael Parrish, Fax: 202-789-1867	03/12/2006	No	No	No
Syngenta Mike Blythe, Fax: 336-632-6084	03/20/2006	No	No	No
Valent USA Robin Demouth, Fax: 925-256-2776	03/12/2006	No	No	No

Technical comments:³

None.

 $[\]overline{}^{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 S. 1676

To reduce temporarily the duty on O-Toluidine.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 12, 2005

Mr. SANTORUM introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To reduce temporarily the duty on O-Toluidine.

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. REDUCTION OF DUTY ON O-TOLUIDINE.

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:

 "9902.39.14
 2-Methylaniline (CAS No. 95–53–4) (provided for in subheading 2921.43.90)
 No change
 No change
 On or before 12/31/2009
 ""

8 (b) EFFECTIVE DATE.—The amendment made by9 subsection (a) applies to articles entered, or withdrawn

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