

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: August 10, 2006]²

Bill No. and sponsor: S. 2926 (Mr. Thomas R. Carper of Delaware).

Proponent name, location: Avecia Inc., Wilmington, DE.

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

Nature of bill: Extension of existing temporary duty suspension through December 31, 2009.

Retroactive effect: None.

Article description (including appropriate HTS classification):

1,3-Bipyridinium, 3-carboxy-5'-[(2-carboxy-4-sulfophenyl)-azo]-1',2'-dihydro-6'-hydroxy-4'-methyl-2'-oxo-, inner salt, lithium/sodium salt (Fast yellow 746 stage) (provided for in subheading 3204.14.30).

Check one: Same as in the HTS heading in the bill as introduced.
 Different from the HTS heading in the bill (see Technical comments).

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

The subject product is a synthetic organic chemical that is used as an ink-jet colorant with unique performance characteristics. The subject product is imported from the United Kingdom.

Estimated effect on customs revenue:

HTS subheading: <u>3204.14.30</u>					
	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	\$260,000	\$260,000	\$260,000	\$260,000	\$260,000
Customs revenue loss 1/	\$16,900	\$16,900	\$16,900	\$16,900	\$16,900

1/ The estimated Customs revenue loss for 2006 reflects the existing duty suspension under HTS heading 9902.04.26 that expires on December 31, 2006.

Source of estimated dutiable import data: Industry estimates.

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 http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

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?
Avecia Inc. (Proponent) Mike Gill, 202-508-8843	06/29/2006 07/19/2006	No	No	No
Abbott Laboratories Elaine Leavenworth, Fax: 202-783-6631	06/29/2006	No	No	No
American Chemistry Council Jim O'Connor, Fax: 703-741-6922	06/29/2006	No	No	No
BASF Corp., Functional Polymers Group Cenan Ozmeral, Fax: 704-587-7903	06/29/2006	No	No	No
Bayer Corp. Karen Niedermeyer, 412-777-2058	06/29/2006	No	No	No
Biddle Sawyer Corp. William Thonack, Fax: 212-239-1089	06/29/2006	No	No	No
Ciba Specialty Chemicals Corp. John Deming, 302-479-5499	06/29/2006	No	No	No
Clariant Corporation Andrew Zamoyski, 202-415-9159	06/29/2006	No	No	No
ColorChem Steve Printz, Fax: 770-993-4780	06/29/2006	No	No	No
Color Resources International, Inc. Wayne Jones, Fax: 864-862-6824	06/29/2006	No	No	No
CPMA Larry Robinson, Fax: 703-684-1795	06/29/2006	No	No	No
Day-Glo Richard Thornton, Fax: 216-391-1408	06/29/2006	No	No	No
DuPont Helen McMahon, Fax: 302-355-2994	06/29/2006	No	No	No
DyStar L.P. Van Hawkins, Fax: 704-561-3005	06/29/2006	No	No	No
Eastman Chemical Jorge San Pedro, Fax: 703-524-7707	06/29/2006	No	No	No
ETAD Tucker Helms, Fax: 202-296-8120	06/29/2006	No	No	No
Everlight USA, Inc. Scott Chen, Fax: 704-588-0051	06/29/2006	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
Fanwood Chemical Jim DeLisi, 908-322-8440	06/29/2006	No	No	No
Honeywell International Art Simonetti, Fax: 202-662-2675	06/29/2006	No	No	No
LANXESS Jamie Schaeffer, 412-809-3666	06/29/2006	No	No	No
Milliken Ray Sanders, Fax: 864-503-1618	06/29/2006	No	No	No
Monsanto Linda Strachan, Fax: 202-789-1867 Michael Parrish, Fax: 202-789-1867	06/29/2006	No	No	No
NFC John Dickson, Fax: 803-548-2683	06/29/2006	No	No	No
Noveon Tom Dirmyer, Fax: 216-447-5720	06/29/2006	No	No	No
Passaic Color John Wojciechowski, Fax: 973-279-3175	06/29/2006	No	No	No
Rhodia Dominick Cangiana, Fax: 609-860-2256	06/29/2006	No	No	No
Rohm & Haas Steven Volger, Fax: 215-592-2550	06/29/2006	No	No	No
Solutia Sue Cannon, Fax: 314-674-1585	06/29/2006	No	No	No
Uniroyal Chemical Lloyd Moon, Fax: 203-573-4430	06/29/2006	No	No	No
United Color Tom Nowakowski, Fax: 215-860-8560	06/29/2006	No	No	No

Technical comments:³

The Commission suggests that the article description of HTS heading 9902.04.26 be amended by correcting the spelling of “Bipyridinium”, which should have an ‘n’ rather than an ‘r’. Also, the common name, “(Fast yellow 746 stage)”, should be inserted in the article description of heading 9902.04.26.

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
2^D SESSION

S. 2926

To extend temporarily the suspension of duty on Fast Yellow 746 Stage.

IN THE SENATE OF THE UNITED STATES

MAY 23, 2006

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

A BILL

To extend temporarily the suspension of duty on Fast Yellow
746 Stage.

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. FAST YELLOW 746 STAGE.**

4 (a) IN GENERAL.—Heading 9902.04.26 of the Har-
5 monized Tariff Schedule of the United States (relating to
6 Fast Yellow 746 Stage) is amended by striking “12/31/
7 2006” and inserting “12/31/2009”.

8 (b) EFFECTIVE DATE.—The amendment made by
9 subsection (a) applies to goods entered, or withdrawn from

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

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