

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: October 26, 2006]<sup>2</sup>

**Bill No. and sponsor:** S. 3319 (Mr. Charles E. Schumer of New York and Mrs. Hillary Clinton of New York).

**Proponent name, location:** Dastech International, Great Neck, NY.

**Other bills on product (109<sup>th</sup> Congress only):** None.

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

**Retroactive effect:** None.

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

Zirconium oxychloride (zirconyl chloride or zirconium dichloride oxide) (CAS No. 15461-27-5)  
(provided for in subheading 2827.49.50).

**Check one:**  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 chemical is used to produce nuclear-grade zirconium metal and is also used as an ingredient in certain anti-perspirants. The subject product is imported from China.

**Estimated effect on customs revenue:**

HTS subheading: <u>2827.49.50</u>					
	2006	2007	2008	2009	2010
<del>Col. 1-General rate of duty</del>					
Col. 1-General rate of duty	5.5%	5.5%	5.5%	5.5%	5.5%
Estimated value <i>dutiable</i> imports	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000
Customs revenue loss	\$385,000	\$385,000	\$385,000	\$385,000	\$385,000

Source of estimated dutiable import data: Industry estimates.

<sup>1</sup> Industry analyst preparing report: Jack Greenblatt (202-205-3353); Tariff Affairs contact: David Michels (202-205-3440).

<sup>2</sup> Access to an electronic copy of this memorandum is available at [http://usitc.gov/tata/hts/other/rel\\_doc/bill\\_reports/index.htm](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?
		(Yes/No)		
Dastech International (Proponent) Luz Cazeneuve, 516-466-7676	08/28/2006	No	No	No
ATI Wah Chang Andy Nichols, 888-926-4211	08/30/2006	No	No	No
Engelhard Corp. Jerry Jeiger, 732-205-5000	08/30/2006	No	No	No
MEI-USA David Clough, 908-782-5800	08/30/2006	No	No	No
Southern Ionics Inc. John Fairley, 662-494-3055	08/30/2006	No	No	No

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

The Commission suggests that the article description on page 1 of this report be used in the proposed new heading in order to provide references to common alternate chemical names.

<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.

109<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# S. 3319

To suspend temporarily the duty on Zirconyl Chloride.

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IN THE SENATE OF THE UNITED STATES

MAY 26, 2006

Mr. SCHUMER (for himself and Mrs. CLINTON) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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## A BILL

To suspend temporarily the duty on Zirconyl Chloride.

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. ZIRCONYL CHLORIDE.**

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:

“	9902.28.27	Zirconyl Chloride (zirconium dichloride oxide) (CAS No. 15461-27-5) (provided for in subheading 2827.49.50) .....	Free	No change	No change	On or before 12/31/2009	”.
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8       (b) EFFECTIVE DATE.—The amendment made by  
9 subsection (a) applies to goods entered, or withdrawn from

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

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