



## MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress

Date approved

### I. Background

Bill number:

Sponsor name:

Sponsor state:

Interested entity:

Name

City

State

Other bills on product (112th Congress only):

Nature of bill:

Expiration date:

Current or previous chapter 99 heading:

Retroactive date:

CAS number (if applicable):

Industry analyst:

Telephone:

Tariff Affairs contact:

Telephone:

Note:

1. Access to an electronic copy of this memorandum is available at [http://www.usitc.gov/tariff\\_affairs/congress\\_reports/](http://www.usitc.gov/tariff_affairs/congress_reports/).
2. In regard to the country(ies) of origin listed in section III, this report focuses on dutiable imports and does not take into account any tariff preference programs or special rates of duty.

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

Direct Red 84, (5,5'[[Carbonyl bis(imino-4,1-phenylene-2,1-diazenediyl)]]bis[8-[2-(4-sulfophenyl) diazenyl]]-2-naphthalenesulfonic acid, sodium salt (1:4)) (CAS No. 6409-83-2) (provided for in subheading 3204.14.50)

Description above compared with bill as introduced:

- Same
- Different (see Technical Comments section)

**III. Other product information, including uses/applications and source(s) of imports**

The subject product is a synthetic organic direct red dye used in the textile industry. It is imported from Germany.

**IV. Estimated effect on customs revenue**

|  |            |           |           |           |           |
|--|------------|-----------|-----------|-----------|-----------|
| Subject product HTS subheading(s)        | 3204.14.50 |           |           |           |           |
| Item                                     | 2013       | 2014      | 2015      | 2016      | 2017      |
| Col.1-general rate of duty (%)           | 6.5        | 6.5       | 6.5       | 6.5       | 6.5       |
| Estimated value of dutiable imports (\$) | 1,000,000  | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| Customs revenue loss (\$)                | 65,000     | 65,000    | 65,000    | 65,000    | 65,000    |

Note: Customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ. Regarding the HTS subheading listed in the article description of the bill, the Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only U.S. Customs and Border Protection is authorized to issue a binding ruling on this matter. The Commission believes that Customs should be consulted prior to enactment of the bill.

Dutiable imports were based on (more than one may apply):

- Official statistics of the U.S. Department of Commerce
- Provided by industry sources
- Industry information
- Commission estimates

Duty reduction notes:

- This bill is not a duty reduction
- This bill is a temporary duty reduction. Rates are shown below.

Col.1-general duty rate (%)  Temporary rate (%)  Percentage point reduction (%)

**V. Technical comments**

The article description was modified slightly to fit the format used in the Chapter 99 provisions.

**VI. Continuation**

If enacted, the tariff relief provided for in this bill would be available to any entity that imports the product that is covered by the bill.

## VII. Contacts with domestic firms/organizations

| #  | Firm/organization and contact name                              | Telephone number  | Claims same or competing product made in the United States | Submission attached | Opposition noted |
|----|---|-------------------|--|---------------------|------------------|
| 1  | DyStar L.P. (Interested entity)<br>Megan Malone                 | 202-344-4621      | No   | No                  | No               |
| 2  | 3M Government Affairs<br>Greg Walters                           | 202-414-3008      | No   | No                  | No               |
| 3  | BASF Corporation<br>Richard J. Salamone                         | 973-895-8316      | No   | No                  | No               |
| 4  | Bayer International Trade Services Corporation<br>Steve Johnsen | 412-777-5616      | No   | No                  | No               |
| 5  | Chemtura<br>Matt Mattingley                                     | 202-841-5601      | No   | No                  | No               |
| 6  | Clariant<br>Andrew Zamoyski                                     | 202-415-9159      | No   | No                  | No               |
| 7  | ColorChem<br>Steven Printz                                      | 770-993-5500, x18 | No   | No                  | No               |
| 8  | Crowell & Moring, LLP<br>Mike Gill                              | 202-508-8843      | No   | No                  | No               |
| 9  | Dixie Chemical<br>Mal Johnson                                   | 281-291-2659      | No   | No                  | No               |
| 10 | Dow Chemical Co.<br>Lisa Schroeter                              | 202-429-3407      | No   | No                  | No               |
| 11 | DuPont Legal<br>Elaine M. Olsen                                 | 302-992-2263      | No   | No                  | No               |
| 12 | Emerald Performance Materials<br>Thomas Dirmyer                 | 330-916-6706      | No   | No                  | No               |
| 13 | Fanwood Chemical Inc.<br>V. M. (Jim) DeLisi                     | 908-322-8440      | No   | No                  | No               |
| 14 | Kemira<br>Rajesh Sharma   | 678-819-4577      | No   | No                  | No               |
| 15 | LANXESS Corp.<br>Jamie B. Schaeffer                             | 412-809-3666      | No   | No                  | No               |
| 16 | Nation Ford Chemical Co.<br>Jay Dickson                         | 803-548-3210, x15 | No   | No                  | No               |
| 17 | PPG Industries Inc.<br>Bill Ries                                | 412-434-1717      | No   | No                  | No               |
| 18 | Royce Associates, ALP<br>Terry Scheirer                         | 201-438-5200      | No   | No                  | No               |

|  | #  | Firm/organization and contact name  | Telephone number | Claims same or competing product made in the United States | Submission attached | Opposition noted |
|--|----|---|------------------|--|---------------------|------------------|
|  | 19 | Sensient Technologies<br>Ken Goldacker                                      | 314-658-7363     | No   | No                  | No               |
|  | 20 | Society of Chemical Manufacturers and Affiliates<br>Robert E. Branand, Esq. | 202-345-2717     | No   | No                  | No               |
|  | 21 | United Color Manufacturing Inc.<br>Tom Nowakowski                           | 215-860-2165     | No   | No                  | No               |

112TH CONGRESS  
2D SESSION

# H. R. 3942

To suspend temporarily the duty on Direct Red 84.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 7, 2012

Mr. WATT 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 Direct Red 84.

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. DIRECT RED 84.**

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:

|   |            |   |      |           |           |                         |    |
|---|------------|---|------|-----------|-----------|-------------------------|----|
| “ | 9902.01.00 | Direct Red 84, (2-Naphthalenesulfonic acid, 5,5'-[carbonyl bis(imino-4,1-phenylene-2,1-diazenediyl)]bis[8-[2-(4-sulfophenyl) diazenyl]-, sodium salt (1:4)] (CAS No. 6409-83-2) (provided for in subheading 3204.14.50) ..... | Free | No change | No change | On or before 12/31/2014 | ”. |
|---|------------|---|------|-----------|-----------|-------------------------|----|

1       (b) EFFECTUVE 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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