

United States International Trade Commission

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress

| | Date approved June 11, 2012 |
|----------------------|---|
| l. Background | |
| Bill number: | H.R. 3969 |
| Sponsor name: | Mr. Mel Watt |
| Sponsor state: | NC |
| nterested entity: | |
| Name Dy | /Star L.P. |
| City | narlotte |
| State NO | |
| | |
| Other bills on pro | duct (112th Congress only): None |
| Nature of bill: | Temporary duty suspension |
| Expiration date: | December 31, 2014 |
| Current or previou | us chapter 99 heading: None |
| Retroactive date: | None |
| CAS number (if ap | oplicable): 20241–76–3; 149988–44–3; 137428–29–6; and 173285–74–0 |
| | |
| ndustry analyst: | Philip Stone |
| Гelephone: | 202-205-3424 |
| Tariff Affairs conta | act: David Michels |

Note:

Telephone:

202-205-3440

^{1.} Access to an electronic copy of this memorandum is available at 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)):

Mixtures of Disperse Blue 77 (1,8-Dihydroxy-4-nitro-5-(phenylamino)-9,10-anthracenedione) (CAS No. 20241–76–3), 5-[2-(2-Cyano-4-nitrophenyl)diazenyl]-2-[[2-(2-hydroxyethoxy)ethyl]amino]-4-methyl-6-(phenylamino)-3-pyridinecarbonitrile (CAS No. 149988–44–3), 5-[2-(2-Cyano-4-nitrophenyl)diazenyl]-6-[[2-(2-hydroxyethoxy)ethyl]amino]-4-methyl-2-(phenylamino)-3-pyridinecarbonitrile (CAS No. 137428–29–6) and 2-Cyano-2-[3-[(6-methoxy-2-benzothiazoyl)amino]-1H-isoindol-1-ylidene]-acetic acid, pentyl ester (CAS No. 173285–74–0) (provided for in subheading 3204.11.50)

| isolitadi i yildenej acetic acia, pentyrester (CAS No. 173203–74–0) (provided for irr subfleading 3204.11.30) |
|---|
| 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 mixture of synthetic organic dyes used in the textile industry. It is imported from Japan.

IV. Estimated effect on customs revenue

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

| Subject product HTS subheading(s) | 3204.11.50 | | | | | | |
|--|------------|-----------|-----------|-----------|-----------|--|--|
| ltem | 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 (\$) | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | | |
| Customs revenue loss (\$) | 162,500 | 162,500 | 162,500 | 162,500 | 162,500 | | |

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.

| Official statistics of the U.S. Department | t of Commerce | | | | | |
|---|--------------------|--------------------------------|--|--|--|--|
| □ Provided by industry sources | | | | | | |
| ☐ Industry information | | | | | | |
| | | | | | | |
| 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 to correct the name of the third component of the mixture and to fit the format used in the Chapter 99 provisions.

According to an e-mail from a National Import Specialist at U.S. Customs and Border Patrol (dated May 11, 2012), the mixture should be classified in HTS subheading 3204.11.50.

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) Megan Malone | 202-344-4621 | No | No | No |
| 2 | 3M Government Affairs Greg Walters | 202-414-3008 | No | No | No |
| 3 | BASF Corporation Richard J. Salamone | 973-895-8316 | No | No | No |
| 4 | Bayer International Trade Services Corporation Steve Johnsen | 412-777-5616 | No | No | No |
| 5 | Chemtura Matt Mattingley | 202-841-5601 | No | No | No |
| 6 | Clariant Andrew Zamoyski | 202-415-9159 | No | No | No |
| 7 | ColorChem Steven Printz | 770-993-5500, x18 | No | No | No |
| 8 | Crowell & Moring, LLP Mike Gill | 202-508-8843 | No | No | No |
| 9 | Dixie Chemical Mal Johnson | 281-291-2659 | No | No | No |
| 10 | Dow Chemical Co. Lisa Schroeter | 202-429-3407 | No | No | No |
| 11 | DuPont Legal Elaine M. Olsen | 302-992-2263 | No | No | No |
| 12 | Emerald Performance Materials Thomas Dirmyer | 330-916-6706 | No | No | No |
| 13 | Fanwood Chemical Inc. V. M. (Jim) DeLisi | 908-322-8440 | No | No | No |
| 14 | Kemira Rajesh Sharma | 678-819-4577 | No | No | No |
| 15 | LANXESS Corp. Jamie B. Schaeffer | 412-809-3666 | No | No | No |
| 16 | Nation Ford Chemical Co. Jay Dickson | 803-548-3210, x15 | No | No | No |
| 17 | PPG Industries Inc. Bill Ries | 412-434-1717 | No No | | No |
| 18 | Royce Associates, ALP 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 |
|----|--|------------------|---|------------------------|------------------|
| | Sensient Technologies Ken Goldacker | 314-658-7363 | No | No | No |
| | Society of Chemical Manufacturers and Affiliates Robert E. Branand, Esq. | 202-345-2717 | No | No | No |
| 21 | United Color Manufacturing Inc. Tom Nowakowski | 215-860-2165 | No | No | No |

H. R. 3969

To suspend temporarily the duty on mixtures of Disperse Blue 77.

IN THE HOUSE OF REPRESENTATIVES

February 7, 2012

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

A BILL

To suspend temporarily the duty on mixtures of Disperse Blue 77.

- 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. MIXTURES OF DISPERSE BLUE 77.
- 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 | Mixtures of Disperse Blue | | | | | 1 |
|---|------------|---------------------------------|------|-----------|-----------|--------------|----|
| | | 77, (9,10-Anthracenedione, | | | | | |
| | | 1,8-dihydroxy-4-nitro-5- | | | | | |
| | | (phenylamino)-) (CAS No. | | | | | |
| | | 20241–76–3) and (3- | | | | | |
| | | Pyridinecarbonitrile, 5-[2-(2- | | | | | |
| | | cyano-4-nitrophenyl) | | | | | |
| | | diazenyl]-2-[[2-(2- | | | | | |
| | | hydroxyethoxy)ethyl]amino]- | | | | | |
| | | 4-methyl-6-(phenylamino)-) | | | | | |
| | | (CAS No. 149988-44-3) and | | | | | |
| | | (3-Pyridinecarbonitrile, 5-[(2- | | | | | |
| | | cyano-4-nitrophenyl) | | | | | |
| | | diazenyl]-6-[[2-(2- | | | | | |
| | | hydroxyethoxy)ethyl]amino]- | | | | | |
| | | 4-methyl-2-(phenylamino)-) | | | | | |
| | | (CAS No. 137428-29-6) and | | | | | |
| | | (Acetic acid, cyano-[3-[(6- | | | | | |
| | | methoxy-2-benzothiazoyl) | | | | | |
| | | amino]-1H-isoindol-1- | | | | | |
| | | ylidene]-, pentyl ester) (CAS | | | | | |
| | | No. 173285–74–0) (provided | | | | | |
| | | for in subheading | | | | | |
| | | 3204.11.35) | Free | No change | No change | On or before | |
| | | | | | | 12/31/2014 | ". |

- 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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