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	United States RNATIONAL TRADE COMMISSION
	MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress
	Date approved June 28, 2012
I. Background Bill number: HR 47 Sponsor name: Mr. 9	58 Gam Johnson
Sponsor state: TX	
	odlands
Other bills on product	112th Congress only): none
	porary duty suspension 1/2015
Current or previous cha	apter 99 heading: none
Retroactive date:	none
CAS number (if applica	ble): 93924-07-3 (ASTM D-156)
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Note:

1. Access to an electronic copy of this memorandum is available at <u>http://www.usitc.gov/tariff\_affairs/congress\_reports/.</u>

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)):

Normal Paraffin M (Alkanes C10-C14) (CAS No. 93924-07-3) (ASTM D-156) (provided for in subheading 2710.19.90)

(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.)

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

Normal paraffin M is used in the production of linear alkyl benzene (LAB), which is an intermediate in detergent production. The primary sources of imports for this product are Saudi Arabia, Malaysia, Iraq, and South Korea. Other import sources include Qatar, Russia, Japan, Taiwan, and China.

#### IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	2710.19.90				
ltem	2013	2014	2015	2016	2017
Col.1-general rate of duty (%)	7	7	7	7	7
Estimated value of <i>dutiable</i> imports (\$)	48,000,000	48,000,000	48,000,000	48,000,000	48,000,000
Customs revenue loss (\$)	3,360,000	3,360,000	3,360,000	3,360,000	3,360,000

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:

 $\boxtimes$  This bill is not a duty reduction

This bill is a temporary duty reduction. Rates are shown below.

Col.1-general duty rate (%)

Percentage point reduction (%)

#### **V. Technical comments**

Huntsman's original request was for a temporary duty reduction from the current rate of 7% to 5.6%. However, as currently written, the bill is for a temporary duty suspension.

Temporary rate (%)

#### VI. Continuation

### 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	Huntsman Mike Meroney	512-589-2531	No	No	No
2	ExxonMobil Chemical Co. Mike Hadcroft	281-870-6000	No	No	No
3	Sasol John Cahill	337-494-5140	No	No	No
4	Petresa Amerique, Inc. Plant Manager, Lake Charles facility	819-294-1414	No	No	No

# <sup>112TH CONGRESS</sup> **H. R. 4758**

To suspend temporarily the rate of duty on Normal Paraffin M.

#### IN THE HOUSE OF REPRESENTATIVES

April 25, 2012

Mr. SAM JOHNSON of Texas introduced the following bill; which was referred to the Committee on Ways and Means

## A BILL

To suspend temporarily the rate of duty on Normal Paraffin M.

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. NORMAL PARAFFIN M.** 

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	2.01.00 Normal Paraffin M	CAR				
	(Alkanes C10–C14) No. 93924–07–3) (4	`				
	D-156) (provided for					
	subheading 2710.19	.90) Free	No change	No change	On or before 12/31/2015	,,

(b) EFFECTIVE DATE.—The amendment made by
 subsection (a) applies to articles entered, or withdrawn
 from warehouse for consumption, on or after the 15th day
 after the date of the enactment of this Act.