



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/.
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)):

Brine electrolysis ion exchange apparatus (provided for in subheading 8543.30.00)

(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

The ion exchange apparatus employs a bi-polar type ion exchange membrane to accomplish one of the three methods of salt electrolysis. In the process of salt electrolysis, salt is extracted from salt water by applying an electric current to an electrolyzer that has been supplied with a brine (salt water) treatment. This process produces caustic soda and/or chlorine, which are commonly used to manufacture paint, adhesives, dyes, solvents, synthetic rubber, paper, and many other everyday items. These products are primarily imported from China, Japan, Canada, and Germany.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	8543.30.00				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty (%) or percentage point reduction	2.6	2.6	2.6	2.6	2.6
Estimated value of <i>dutiable</i> imports (\$)	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
Customs revenue loss (\$)	41,600	41,600	41,600	41,600	41,600

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

Only the first letter of the first word of the proposed article description needs to be capitalized.

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	PPG Industries, Inc. (Interested entity) Bill Ries	412-434-1717	No	No	No
	2	Dow Chemical Thomas Moran	989-636-1000	No	No	No

112TH CONGRESS
2D SESSION

H. R. 4916

To suspend temporarily the duty on Brine Electrolysis Ion Exchange Apparatus.

IN THE HOUSE OF REPRESENTATIVES

APRIL 26, 2012

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

A BILL

To suspend temporarily the duty on Brine Electrolysis Ion Exchange Apparatus.

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. BRINE ELECTROLYSIS ION EXCHANGE APPA-**
4 **RATUS.**

5 (a) IN GENERAL.—Subchapter II of chapter 99 of
6 the Harmonized Tariff Schedule of the United States is
7 amended by inserting in numerical sequence the following
8 new heading:

“	9902.01.00	Brine Electrolysis Ion Exchange Apparatus (provided for in subheading 8543.30.00)	Free	No change	No change	On or before 12/31/2015	”.
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1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) applies to goods entered, or withdrawn from
3 warehouse for consumption, on or after the 15th day after
4 the date of the enactment of this Act.

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