

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 108th Congress ¹**

[Date approved: May 3, 2004]²

Bill No. and sponsor: H.R. 2644 (Ms. Myrick)

Proponent name, location: DyStar, L.P.
Charlotte, NC

Other bills on product (108th Congress only): None

Nature of bill: Extension of expired heading 9902.32.50 through December 31, 2008.

Retroactive effect: January 1, 2004.

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

Mixture of 2,7-naphthalenedisulfonic acid, 4-amino-3,6-bis[[5-[[4-chloro-6-[(2-methyl-4-sulfophenyl)amino]-1,3,5-triazin-2-yl]amino]-2-sulfophenyl]azo]-5-hydroxy-, hexasodium salt (CAS No. 186554-27-8) and 1,5-naphthalenedisulfonic acid, 2-(((8-((4-chloro-6-((3-(((4-chloro-6-((1,5-disulfo-2-naphthalenyl)azo)-8-hydroxy-3,6-disulfo-1-naphthalenyl)amino)-1,3,5-triazin-2-yl)amino)methyl)-phenyl)amino)-1,3,5-triazin-2-yl)amino)-1-hydroxy-3,6-disulfo-2-naphthalenyl)azo)-, octasodium salt (CAS No. 186554-26-7) (the foregoing provided for in subheading 3204.16.30)

Check one: Same as that in bill as introduced
 Different from that in bill as introduced (explain differences in Technical comments section)

Product information, including uses/applications and source(s) of imports:

This synthetic organic chemical is a “reactive” dyestuff used for dyeing cotton and other cellulosic fibers. DyStar imports the product from Brazil using the trade name Procion Navy H-EXL

¹ Industry analyst preparing report: Stephen Wanser (202-205-3363); Tariff Affairs contact: Dave Beck (202-205-2603).

² Access to an electronic copy of this memorandum is available at <http://www.usitc.gov/billrpts.htm> Access to a paper copy is available at the Commission’s Law Library (202-205-3287) or at the Commission’s Main Library (202-205-2630).

Estimated effect on customs revenue:

| HTS subheading: 3204.16.30 | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|
| | 2004 | 2005 | 2006 | 2007 | 2008 |
| Col. 1-General rate of duty (AVE) ^{1/} | 6.5% | 6.5% | 6.5% | 6.5% | 6.5% |
| Estimated value <i>dutiable</i> imports | \$220,000 | \$209,000 | \$198,550 | \$188,623 | \$179,191 |
| Customs revenue loss | \$14,300 | \$13,585 | \$12,905 | \$12,260 | \$11,647 |

^{1/} The AVE is the ad valorem equivalent of a specific or compound duty rate expressed as a percent, using the most recent import data available.

Source of estimated dutiable import data: "Industry estimates."

Contacts with domestic firms/organizations (including the proponent):

| Name of firm/organization | Date contacted | US production of same or competitive product claimed? | Submission attached? | Opposition noted? |
|--|----------------|---|----------------------|-------------------|
| | | (Yes/No) | | |
| DyStar L.P. Van Hawkins; 704/561-3020 Hawkins.van@Dystar.com | 02/01/04 | No | No | No |
| BASF, Functional Polymers Bus. Group Joseph Breunig, 704/587-7900 | 02/20/04 | No | No | No |
| Bayer Corporation, Karen Neidermeyer, 412/777-2058 | 02/20/04 | No | No | No |
| Ciba Specialty Chemicals Michelle Forte, 914/785-2483 | 02/20/04 | No | No | No |
| Clariant Corporation, Ken Golder, 704/331-7086 | 02/20/04 | No | No | No |
| Day-Glo Corporation Richard Thornton, 216/391-7070 | 02/20/04 | No | No | No |

| | | | | |
|--|----------|----|----|----|
| ETAD Tucker Helms, PhD, 202/721-4154 | 02/20/04 | No | No | No |
| Everlight, USA, Inc., Scott Chen, 704/558-1004 | 02/20/04 | No | No | No |
| Fanwood Chemical Inc. Mr. V.M. (Jim) DiLisi | 02/20/04 | No | No | No |
| Milliken Industries, Ray Saunders, 864/503-1618 | 02/20/04 | No | No | No |
| Passaic Color, John Wojciechowski, 973/279-0400 | 02/20/04 | No | No | No |
| Rohm & Haas, Steven Volger, 215/592-3425 | 02/20/04 | No | No | No |
| Sensient, Dan Victor, 314/286-7167 | 02/20/04 | No | No | No |

Technical comments:³

The bill essentially reinstates heading 9902.32.50, which expired on December 31, 2003. As part of this bill, the Commission has made editorial amendments to the proposed article description of that reinstated heading, on the basis of consultation with the proponent.

³ 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.

108TH CONGRESS
1ST SESSION

H. R. 2644

To suspend temporarily the duty on Procion Navy H–EXL.

IN THE HOUSE OF REPRESENTATIVES

JUNE 26, 2003

Mrs. MYRICK introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To suspend temporarily the duty on Procion Navy H–EXL.

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. SUSPENSION OF DUTY ON PROCION NAVY H-**

4 **EXL.**

5 (a) IN GENERAL.—Subchapter II of chapter 99 of
6 the Harmonized Tariff Schedule of the United States is
7 amended by striking heading 9902.32.50 and inserting the
8 following:

| | | | | | | |
|------------|---|------|-----------|-----------|-------------------------|----|
| 9902.32.50 | Mixture of 2,7-Naphthalenedisulfonic acid, 4-amino-3,6-bis[[5-[[4-chloro-6-[(2-methyl-4-sulfo-phenyl)amino]-1,3,5-triazin-2-yl]amino]-2-sulfo-phenyl]azo]-5-hydroxy-, hexasodium salt (CAS No. 186554-27-8); and 1,5-Naphthalenedisulfonic acid, 2-((8-((4-chloro-6-((3-((4-chloro-6-((7-((1,5-disulfo-2-naphthalenyl)azo)-8-hydroxy-3,6-disulfo-1-naphthalenyl)amino)-1,3,5-triazin-2-yl)amino) methyl)phenyl)amino)-1,3,5-triazin-2-yl)amino)-1-hydroxy-3,6-disulfo-2-naphthalenyl)azo)-, octa- (CAS No. 186554-26-7) (the foregoing mixture provided for in subheading 3204.16.30) | Free | No change | No change | On or before 12/31/2008 | ”. |
|------------|---|------|-----------|-----------|-------------------------|----|

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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