

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: August 27, 2004]²

Bill No. and sponsor: H.R. 4330 (Mr. Baker)

Proponent name, location: Ciba Specialty Chemicals
4200 Geigy Access Road
St. Gabriel, LA 70776-0749

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

Nature of bill: Temporary duty suspension through December 31, 2007.

Retroactive effect: None.

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

5,5-Bis[(γ , ω -perfluoro(C₄₋₂₀)alkylthio)methyl]-2-hydroxy-2-oxo-1,3,2-dioxaphosphorinane, ammonium salt and 2,2-bis[(γ , ω -perfluoro(C₄₋₂₀)alkylthio)methyl]-3-hydroxypropyl phosphate, diammonium salt and di-[2,2-bis[(γ , ω -perfluoro(C₄₋₂₀)alkylthio)methyl]]-3-hydroxypropyl phosphate, ammonium salt and 2,2-bis[(γ , ω -perfluoro(C₄₋₂₀)alkylthio)methyl]-1,3-di-(dihydrogenphosphate)propane, tetraammonium salt (provided for in subheading 3809.92.50)

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

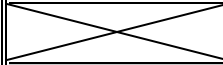
Product information, including uses/applications and source(s) of imports:

The subject chemical is used in the manufacture of specialty paper products to impart certain oil- and grease-resistant properties to the finished paper/paperboard product. Ciba Specialty Chemicals imports the subject chemical from its affiliated plant in Germany.

¹ Industry analyst preparing report: Eric Land (202-205-3349); 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: 3809.92.50					
	2004	2005	2006	2007	2008
Col. 1-General rate of duty (AVE) <u>1/</u>	6%	6%	6%	6%	6%
Estimated value <i>dutiable</i> imports	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
Customs revenue loss	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000

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: Commission 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)		
Ciba Specialty Chemicals	7/17/04	No	No	No
Clariant Corporation	7/19/04	No	No	No
Dow Chemical	7/19/04	No	No	No
Du Pont Chemical	7/19/04	No	No	No
Solutia	7/19/04	No	No	No

Technical comments:³

The Commission recommends the chemical name in the proposed article description be amended to read

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.

as follows:

5,5-Bis[(γ , ω -perfluoro(C_{4-20})alkylthio)methyl]-2-hydroxy-2-oxo-1,3,2-dioxaphosphorinane, ammonium salt and 2,2-bis[(γ , ω -perfluoro(C_{4-20})alkylthio)methyl]-3-hydroxypropyl phosphate, diammonium salt and di-[2,2-bis[(γ , ω -perfluoro(C_{4-20})alkylthio)methyl]]-3-hydroxypropyl phosphate, ammonium salt and 2,2-bis[(γ , ω -perfluoro(C_{4-20})alkylthio)methyl]-1,3-di-(dihydrogenphosphate)propane, tetraammonium salt

108TH CONGRESS
2^D SESSION

H. R. 4330

To suspend temporarily the duty on 5,5-bis[(y,w-perfluoroC4–20alkylthio)methyl]-2-hydroxy-2-oxo -1,3,2-dioxaphosphorinane, ammonium salt and 2,2-bis[(y,w-perfluoroC4–20alkylthio)methyl]-3-hydroxy propyl phosphate, di-ammonium salt and Di-[2,2-bis[(y,w-perfluoroC4–20alkylthio)methyl]]-3-hydroxy propyl phosphate, ammonium salt and 2,2-bis[(y,w-perfluoroC4–20alkylthio)methyl]-1,3-di-(dihydro genphosphate)-propane, tetra-ammonium salt.

IN THE HOUSE OF REPRESENTATIVES

MAY 11, 2004

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

A BILL

To suspend temporarily the duty on 5,5-bis[(y,w-perfluoroC4–20alkylthio)methyl]-2-hydroxy-2-oxo -1,3,2-dioxaphosphorinane, ammonium salt and 2,2-bis[(y,w-perfluoroC4–20alkylthio)methyl]-3-hydroxy propyl phosphate, di-ammonium salt and Di-[2,2-bis[(y,w-perfluoroC4–20alkylthio)methyl]]-3-hydroxy propyl phosphate, ammonium salt and 2,2-bis[(y,w-perfluoroC4–20alkylthio)methyl]-1,3-di-(dihydro genphosphate)-propane, tetra-ammonium salt.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 SECTION 1. SUSPENSION OF DUTY ON 5,5-BIS[(Y,W-
 2 PERFLUOROC4-20ALKYLTHIO)METHYL]-2-HY-
 3 DROXY-2-OXO-1,3,2-DIOXAPHOSPHORINANE,
 4 AMMONIUM SALT AND 2,2-BIS[(Y,W-
 5 PERFLUOROC4-20ALKYLTHIO)METHYL]-3-HY-
 6 DROXY PROPLY PHOSPHATE, DI-AMMONIUM
 7 SALT AND DI-[2,2-BIS[(Y,W-PERFLUOROC4-
 8 20ALKYLTHIO)METHYL]]-3-HYDROXY PROPLY
 9 PHOSPHATE, AMMONIUM SALT AND 2,2-
 10 BIS[(Y,W-PERFLUOROC4-
 11 20ALKYLTHIO)METHYL]-1,3-DI-
 12 (DIHYDROGENPHOSPHATE)-PROPANE,
 13 TETRA-AMMONIUM SALT.

14 (a) IN GENERAL.—Subchapter II of chapter 99 of
 15 the Harmonized Tariff Schedule of the United States is
 16 amended by inserting in numerical sequence the following
 17 new heading:

“	9902.38.43	5,5-bis[(y,w-perfluoroC4-20alkylthio)methyl]-2-hydroxy-2-oxo-1,3,2-dioxaphosphorinane, ammonium salt and 2,2-bis[(y,w-perfluoroC4-20alkylthio)methyl]-3-hydroxy proply phosphate, di-ammonium salt and Di-[2,2-bis[(y,w-perfluoroC4-20alkylthio)methyl]]-3-hydroxy proply phosphate, ammonium salt and 2,2-bis[(y,w-perfluoroC4-20alkylthio)methyl]-1,3-di-(dihydrogenphosphate)-propane, tetra-ammonium salt (provided for in subheading 3809.92.50)	Free	No Change	No Change	On or Before 12/31/2007	”.
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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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