

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. 4552 (Mr. Burns)

Proponent name, location: NutraSweet Corporation, subsidiary of Pharmacia Corp., Peapack, NJ.

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

Nature of bill: Temporary duty suspension through 12/31/2006.

Retroactive effect: None.

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

l-Aspartic acid (CAS No. 56-84-8) (provided for in subheading 2922.49.40)

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:³

l-Aspartic acid is a non-essential amino acid used to make (i) aspartame, the leading non-nutritive sweetener; (ii) *l*-alanine, another non-essential amino acid; (iii) aspartic acid salts and esters for pharmaceutical uses; (iv) polyaspartic acid; and (v) derivatives for new specialty water softeners and detergent builders. It is also an intermediate in the manufacture of fungicides and germicides.

The majority of U.S. consumption reportedly is to make aspartame. The polyaspartic acid water treatment products reportedly are considered by their developers to have great market potential, if their price can be brought down substantially. Polyaspartic acid and related derivatives probably are normally manufactured from *dl*-aspartic acid, rather than *l*-aspartic acid, though Bayer AG reportedly has a maleic anhydride-based production route that may cost half as much as the aspartic acid routes.

This chemical reportedly is imported from China, Japan, and possibly Austria.

¹ Industry analyst preparing report: Rob Randall (202-205-3366); 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).

³ Stanford Research Institute, *Chemical Economics Handbook*, pp. 502.5004L-Q. (Not a publicly available source.)

Estimated effect on customs revenue:

HTS subheading: 2922.49.40					
 	2004	2005	2006	2007	2008
Col. 1-General rate of duty (AVE) <u>1/</u>	4.2%	4.2%	4.2%	4.2%	4.2%
Estimated value <i>dutiable</i> imports	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000
Customs revenue loss	\$294,000	\$294,000	\$294,000	\$294,000	\$294,000

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: Official U.S. Government statistics and 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)		
Alfa Aesar, div. Of Johnson Matthey Marketing Mgr., Fax: 978/521-6366	7/22/2004	No	No	No
Burlington Bio-Medical & Scientific Co. Marketing Mgr., Fax: 631/694-9177	7/22/2004	No	No	No
National Starch and Chemical Corp. Marketing Mgr., Fax: 609/409-5699	7/22/2004	No	No	No
Penta Manufacturing Co. Marketing Mgr., Fax: 973/740-1839	7/22/2004	No	No	No
Rohm & Haas Co. Marketing Mgr., Fax: 215/592-3377	7/22/2004	No	No	No
Seegott Inc. Marketing Mgr., Fax: 330/528-0675	7/22/2004	No	No	No

Seltzer Chemicals, Inc. Marketing Mgr., Fax: 760/438-0336	7/22/2004	No	No	No
Solutia Inc. Marketing Mgr., Fax: 314/674-5464	7/22/2004	No	No	No
Spectrum Chemicals Marketing Mgr., Fax: 877/901-5482	7/22/2004	No	No	No

Technical comments:⁴ None.

⁴ 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
2D SESSION

H. R. 4552

To suspend temporarily the duty on *l*-Aspartic acid.

IN THE HOUSE OF REPRESENTATIVES

JUNE 14, 2004

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

A BILL

To suspend temporarily the duty on *l*-Aspartic acid.

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 *l*-ASPARTIC ACID.**

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:

“	9902.29.01	<i>l</i> -Aspartic acid (CAS No. 56–84–8) provided for in subheading 2922.49.40	Free	No Change	No Change	On or before 12/31/2006	”.
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8 (b) EFFECTIVE DATE.—The amendment made by
9 subsection (a) applies to articles entered, or withdrawn

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- 1 from warehouse for consumption, on or after the 15th day
- 2 after the date of the enactment of this Act.

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