

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress¹**

[Date approved: August 1, 2005]²

Bill No. and sponsor: H.R. 1391 (Mr. Holt).

Proponent name, location: Rhodia Inc.
259 Prospect Plains Road, CN 7500
Cranbury, New Jersey 08512-7500

Other bills on product (109th Congress only): S. 699.

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

Retroactive effect: None.

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

2-Imidazolidinone, 1-(2-aminoethyl)-, reaction product with oxirane, ((2-propenyloxy)methyl)- (CAS No. 90412-00-3) (provided for in subheading 2933.29.90)

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 product is used primarily to make polymer resins that are incorporated into architectural coatings.

The product is imported from France.

¹ Industry analyst preparing report: Jack Greenblatt (202-205-3353); Tariff Affairs contact: Dave Michels (202-205-3440).

² Access to an electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

Estimated effect on customs revenue:

HTS subheading: 2933.29.90					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty (AVE) <u>1/</u>	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$2,200,000	\$2,200,000	\$2,200,000	\$2,200,000	\$2,200,000
Customs revenue loss	\$143,000	\$143,000	\$143,000	\$143,000	\$143,000

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: Industry estimates. The Customs revenue loss estimates provided in the above table assumes that the duty suspension will be renewed in 2008 and 2009.

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)	
Rhodia (proponent) Preston Gates, Rick Valentine (202) 661-3802	6/6/2005	No	No	No
Rohm & Haas Hank Stoebenau (215) 628-4919	6/7/2005	Yes	Yes	Yes
Perstorp Polyols, Inc. Mai Pham (202) 293-8144	6/7/2005	No	No	No
Bayer Corp. Karen Niedermeyer (412) 777-2058	6/6/2005	No	No	No
Avecia Limited (Crowell & Moring) Ms. Melissa Coyle (202) 624-2500	6/6/2005	No	No	No
Solutia, Inc. Mary Woodward (314) 674-7211	6/7/2005	No	No	No

Technical comments:³

None.

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.

109TH CONGRESS
1ST SESSION

H. R. 1391

To suspend temporarily the duty on allyl ureido monomer.

IN THE HOUSE OF REPRESENTATIVES

MARCH 17, 2005

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

A BILL

To suspend temporarily the duty on allyl ureido monomer.

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. ALLYL UREIDO MONOMER.**

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:

“	9902.06.02	2-Imidazolidinone, 1-(2-aminoethyl)-, reaction product with oxirane, ((2-propenyloxy)methyl)- (CAS No. 90412-00-3) (provided for in subheading 2933.29.90)	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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