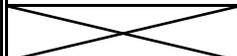


Estimated effect on customs revenue:

HTS subheading: 3912.20.00 1/					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty (AVE) 2/	5.2%	5.2%	5.2%	5.2%	5.2%
Estimated value <i>dutiable</i> imports	\$54,500,000	\$56,000,000	\$57,800,000	\$59,500,000	\$61,300,000
Customs revenue loss 3/	\$2,834,000	\$2,912,000	\$3,005,600	\$3,094,000	\$3,187,600

1/ On August 18, 2004, the International Trade Administration, U.S. Department of Commerce, announced the revocation of existing antidumping duty orders on industrial nitrocellulose from Brazil, Germany, Korea, Japan, the PRC, and the UK, retroactive to July 1, 2003, because there was no longer a domestic producer. Additionally, the antidumping duty order on industrial nitrocellulose from France was revoked effective August 1, 2003. 69 FR 52231.

2/ 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.

3/ Includes both industrial and propellant (explosives) grades of nitrocellulose.

Source of estimated dutiable import data: Commission estimates based on confidential industry supply/demand data and year-to-date (Jan - Apr) import data for 2005.

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)		
National Paint and Coatings Association (Proponent) Phone: (202) 345-2717	6/10/2005	No	No	No
Bayer Corporation Ms. Karen L. Niedermeyer Phone: (412) 777-2058	6/16/2005	No	Yes	No
Chemical Solutions Company Mr. Ed McCrossin Phone: (302) 234-4275	6/16/2005	Yes	Yes	Yes

Hercules, Incorporated Mr. John Cacho Phone: (302) 594-5463	6/22/2005	No	Yes	No
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1/ Alliant Tech Systems is actively producing explosives-grade smokeless nitrocellulose powder in a Government-owned plant at Radford, VA, for military purposes. Smokeless powder is also thought to be currently imported from the Czech Republic, France, and Canada, for military and commercial purposes.

Technical comments:⁴

The Commission suggests that the article description on page 1 be used in the proposed new heading, as it reflects a description to include the various forms of cellulose nitrates, including collodions.

The Commission also suggests that “No change” be inserted in lieu of “Free” in the Special subcolumn of the proposed new heading.

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.

109TH CONGRESS
1ST SESSION

H. R. 1537

To suspend temporarily the duty on nitrocellulose.

IN THE HOUSE OF REPRESENTATIVES

APRIL 8, 2005

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

A BILL

To suspend temporarily the duty on nitrocellulose.

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. NITROCELLULOSE.**

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:

“	9902.39.13	Cellulose nitrate (nitrocellulose, including collodions) (provided for in subheading 3912.20.00)	Free	Free	No change	On or before 12/31/2009	”.
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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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