

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: September 23, 2005]²

Bill No. and sponsor: H.R. 2228 (Ms. Melissa A. Hart of Pennsylvania)

Proponent name, location: LANXESS Corporation
Pittsburgh, PA

Other bills on product (109th Congress only): None.

Nature of bill: Extension of temporary duty suspension through 12/31/2009.

Retroactive effect: None.

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

The subject chemicals (see below) are classified in HTS subheading 3824.90.91 and are eligible for a temporary duty suspension under HTS headings 9902.29.83 and 9902.38.10.

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

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

Mixtures of sodium salts of iminodisuccinic acid are used as a chelating agent. The mixtures are sold in two versions, one a spray-dried and granulated powder (Baypure CX 100 solid G), and the other (Baypure CX 100/34%), a liquid 40 percent solution of the active ingredient. The solid product consists of a mixture of sodium salts of iminodisuccinic acid, standardized to a minimum content of 78 percent tetrasodium iminodisuccinate.

The products are used as a chelating agent in the detergent, agriculture, oil, pharmaceutical, paper and textiles industries to reduce water hardness, stabilize oxidation agents in aqueous solution, and remove unwanted metal ions. The products are imported from Germany.

¹ Industry analyst preparing report: Robert Randall (202-205-3366); Tariff Affairs contact: David 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: <u>3824.90.91</u> | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|
|  | 2005 | 2006 | 2007 | 2008 | 2009 |
| Col. 1-General rate of duty | 5% | 5% | 5% | 5% | 5% |
| Estimated value <i>dutiable</i> imports | \$2,090,000 | \$2,332,000 | \$2,609,000 | \$2,928,600 | \$3,296,000 |
| Customs revenue loss <u>1/</u> | \$104,500 | \$116,600 | \$130,450 | \$146,430 | \$164,800 |

1/ Revenue loss for 2005 and 2006 results from a current suspension of duty per headings 9902.29.83 and 9902.38.10.

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) | | |
| LANXESS Corporation (Proponent) Jamie Schaeffer 412-809-3666 | 7/27/2005 | No | No | No |
| Alfa Aesar Marketing Mgr., FAX: 976-521- 6366 | 8/8/2005 | No | No | No |
| Arch Chemicals Marketing Mgr., FAX: 203-229-3870 | 8/8/2005 | No | No | No |
| Ashland Distribution Company Fine Ingredients Division Marketing Mgr., FAX: 614-790-4427 | 8/8/2005 | No | No | No |
| Ashland Distribution Company Industrial Chemicals & Solvents Div. Marketing Mgr., FAX: 614-790-4119 | 8/8/2005 | No | No | No |
| BASF Corporation Marketing Mgr., FAX: 973-426-2610 | 8/8/2005 | No | No | No |

| | | | | |
|--|----------|----|----|----|
| BASF Corporation Performance Chemicals Group Marketing Mgr., FAX: 973-426-4906 | 8/8/2005 | No | No | No |
| Bayer Corporation Karen Niedermyer, FAX: 412-777-7743 | 8/8/2005 | No | No | No |
| Brown Chemical Co. Marketing Mgr., FAX: 201-337-9026 | 8/8/2005 | No | No | No |
| CHEMCENTRAL Corp. Marketing Mgr., FAX: 708-594-6328 | 8/8/2005 | No | No | No |
| Chemplex Chemicals, Inc. Marketing Mgr., FAX: 201-512-8791 | 8/8/2005 | No | No | No |
| ChemServ, Inc. Marketing Mgr., FAX: 612-379-8244 | 8/8/2005 | No | No | No |
| Ciba Specialty Chemicals Marketing Mgr., FAX: 914-347-5687 | 8/8/2005 | No | No | No |
| Cognis Corporation Ion-Transfer Chemicals Marketing Mgr., FAX: 520-624-0912 | 8/8/2005 | No | No | No |
| Coyne Chemical Co. Marketing Mgr., FAX: 215-785-1585 | 8/8/2005 | No | No | No |
| The Dow Chemical Company Marketing Mgr., FAX: 989-832-1465 | 8/8/2005 | No | No | No |
| Eka Chemicals Inc./Akzo Nobel Marketing Mgr., FAX: 770-578-1359 | 8/8/2005 | No | No | No |
| GFS Chemicals, Inc. Marketing Mgr., FAX: 740-881-5989 | 8/8/2005 | No | No | No |
| R.W. Greef Marketing Mgr., FAX: 203-541-9191 | 8/8/2005 | No | No | No |
| Harcros Chemicals Inc. Marketing Mgr., FAX: 913-621-7718 | 8/8/2005 | No | No | No |
| Jarchem Industries, Inc. Marketing Mgr., FAX: 973-344-5743 | 8/8/2005 | No | No | No |
| LignoTech USA Marketing Mgr., FAX: 908-429-1112 | 8/8/2005 | No | No | No |
| Lonzagroup Marketing Mgr., FAX: 201-794-2515 | 8/8/2005 | No | No | No |

| | | | | |
|--|----------|----|----|----|
| Mead Westvaco Corporation Specialty Chemicals Division Marketing Mgr., FAX: 843-740-2305 | 8/8/2005 | No | No | No |
| Norman, Fox & Co. Marketing Mgr., FAX: 323-837-7474 | 8/8/2005 | No | No | No |
| Piedmont Chemical Industries, LLC Marketing Mgr., FAX: 336-887-5563 | 8/8/2005 | No | No | No |
| Solutia Inc. Marketing Mgr., FAX: 314-674-7625 | 8/8/2005 | No | No | No |
| Surfactants, Inc. Marketing Mgr., FAX: 908-755-0592 | 8/8/2005 | No | No | No |
| Tilley Chemical Co., Inc. Marketing Mgr., FAX: 410-391-6665 | 8/8/2005 | No | No | No |
| Universal Preserv-A-Chem, Inc. Marketing Mgr., FAX: 732-777-7885 | 8/8/2005 | No | No | No |
| R.T. Vanderbilt Co., Inc. Marketing Mgr., FAX: 203-853-1452 | 8/8/2005 | No | No | No |
| Vulcan Performance Chemicals Marketing Mgr., FAX: 888-933-6039 | 8/8/2005 | No | No | No |
| Walsh & Associates, Inc. Marketing Mgr., FAX: 314-781-9424 | 8/8/2005 | No | No | No |
| Western Nutrients Corp. Marketing Mgr., FAX: 661-327-1740 | 8/8/2005 | No | No | No |
| Young Chemical Company Marketing Mgr., FAX: 440-234-3255 | 8/8/2005 | No | No | No |

Technical comments:³

The Commission notes that the active ingredient in the two headings 9902.29.83 and 9902.38.10 is mixed sodium salts of iminodisuccinic acid (provided for in subheading 3824.90.91). The Commission suggests that language be included in the bill that will modify Chapter 99 of the HTS by striking heading 9902.38.10, and modifying the article description of heading 9902.29.83 to include the phrase “, whether or not in water”, inserted after the word “acid” in the article description. Heading 9902.29.83 can then be modified by striking the existing effective date and inserting the new effective date in lieu thereof, as in the original intent of the bill.

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. 2228

To extend the duty suspension on Iminodisuccinate.

IN THE HOUSE OF REPRESENTATIVES

MAY 10, 2005

Ms. HART introduced the following bill; which was referred to the Committee
on Ways and Means

A BILL

To extend the duty suspension on Iminodisuccinate.

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. IMINODISUCCINATE.**

4 (a) IN GENERAL.—Headings 9902.29.83 and
5 9902.38.10 of the Harmonized Tariff Schedule of the
6 United States (relating to mixtures of sodium salts) are
7 each amended by striking “12/31/2006” and inserting
8 “12/31/2009”.

9 (b) EFFECTIVE DATE.—The amendments made by
10 subsection (a) applies to goods entered, or withdrawn from

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

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