

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. 2244 (Mr. John M. Spratt Jr. of South Carolina)

Proponent name, location: Clariant Corporation
Coventry, RI

Other bills on product (109th Congress only): H.R. 1959, H.R. 2493, and S. 1476.

Nature of bill: Temporary duty suspension through December 31, 2008.

Retroactive effect: None.

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

Glyoxylic acid (CAS No. 298-12-4) (provided for in subheading 2918.30.90).

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:

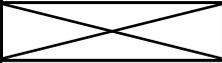
Glyoxylic acid is a synthetic organic chemical used to produce synthetic vanillin and ethyl vanillin. These substances are in turn used as preservatives or fragrance and flavoring additives in a variety of foods, perfumes and personal care products.

The subject product is imported from France. Other importers are believed to bring in minimal volumes of this product.

¹ Industry analyst preparing report: Jeff Clark (202-205-3318); 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: 2918.30.90					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	3.7%	3.7%	3.7%	3.7%	3.7%
Estimated value <i>dutiable</i> imports	\$3,925,000	\$4,135,000	\$4,250,000	\$4,250,000	\$4,250,000
Customs revenue loss	\$145,225	\$152,995	\$157,250	\$157,250	\$157,250

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)		
Clariant Corporation (proponent) Andrew Zamoyski, 401-823-2230	08/02/2005 08/04/2005	No	No	No
BASF Corp. Tom Coleman, 202-289-3900	08/12/2005	No	No	No
Bayer Corp. Karen Niedermayer, 412-777-2058	08/12/2005	No	No	No
Ciba Specialty Chemicals Corp. John Deming, 202-857-5200	08/12/2005	No	No	No
E. I. du Pont de Nemours and Company Elaine Olsen, 302-992-2263	08/12/2005	No	No	No
Eli Lilly Kathryn Karol, 202-393-7950	08/15/2005	No	No	No
Lonza, Inc. Ray Esposito, 201-316-9200	08/15/2005	No	No	No

Technical comments:³

The Commission suggests that the article description on page 1 of this report be used in the proposed new heading in order to present the correct CAS number. Since the acid is generally produced as an aqueous solution it is not necessary to include this in the description.

The Commission also notes that there is an existing (expired) provision for glyoxylic acid under heading 9902.29.13. The Commission suggests that the bill be re-written to modify HTS heading 9902.29.13 by striking the effective date and inserting "12/31/2008" in lieu thereof.

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. 2244

To suspend temporarily the duty on Glyoxylic Acid 50%.

IN THE HOUSE OF REPRESENTATIVES

MAY 10, 2005

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

A BILL

To suspend temporarily the duty on Glyoxylic Acid 50%.

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. GLYOXYLIC ACID 50%.**

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:

“	9902.09.27	Glyoxylic Acid 50% (CAS No. 79–14–1) (provided for in subheading 2918.30.90) ..	Free	No change	No change	On or before 12/31/2008	”.
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8 (b) EFFECTIVE DATE.—The amendment made by
9 subsection (a) applies to goods entered, or withdrawn from

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

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