

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. 2269 (Mr. English)

Proponent name, location: Air Products & Chemicals, Inc.
Allentown, PA 18195

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

Nature of bill: Extension of duty suspension through 12/31/2008.

Retroactive effect: None.

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

The subject chemical (see below) is classified in subheading 2804.29.00 and is eligible for a temporary duty suspension under HTS heading 9902.01.47.

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:

Helium is a rare, inert gas found associated with certain natural gas deposits, from which it is extracted and refined to commercial (Grade A) specifications for commercial sale. Helium is used for cryogenic applications (including MRI scanners) (28%), for pressurizing and purging (26%), for welding cover gas (20%), for controlled atmospheres (13%), for leak detection (4%), breathing mixtures (2%), and other miscellaneous uses (7%). Algeria is the principal import source of helium.

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: 2804.29.00 | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|
|  | 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 | \$1,300,000 | \$1,300,000 | \$1,300,000 | \$1,300,000 | \$1,300,000 |
| Customs revenue loss ^{1/} | \$48,100 | \$48,100 | \$48,100 | \$48,100 | \$48,100 |

^{1/} Revenue loss for 2005 and 2006 results from a current suspension of duty per heading 9902.01.47. 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) | | |
| Air Products & Chemicals, Inc.(Proponent) Richard Goodstein, (202) 783-1555 | 8/1/2005 | Yes | No | No |
| BOC Gases Lloyd Basgall, (785) 387-2281 | 8/19/2005 | Yes | No | No |
| Duke Energy Steve Cochran, (719) 767-8791 | 8/19/2005 | Yes | No | No |
| Exxon Corporation George Hargreaves, (713) 656-9369 | 8/19/2005 | Yes | No | No |
| Nathaniel Energy Kerry Stiff, (580) 546-7558 | 8/19/2005 | Yes | No | No |
| Praxair, Inc. Mike Shannon, (203) 837-2201 | 8/19/2005 | Yes | No | No |
| Tom Brown, Inc. Todd Wescott, (435) 686-7607 | 8/19/2005 | Yes | 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. 2269

To extend the temporary suspension of duty on helium.

IN THE HOUSE OF REPRESENTATIVES

MAY 11, 2005

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

A BILL

To extend the temporary suspension of duty on helium.

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. HELIUM.**

4 (a) IN GENERAL.—Heading 9902.01.47 of the Har-
5 monized Tariff Schedule of the United States is amended
6 by striking “12/31/2006” and inserting “12/31/2008”.

7 (b) EFFECTIVE DATE.—The amendment made by
8 subsection (a) applies to goods entered, or withdrawn from
9 warehouse for consumption, on or after the 15th day after
10 the date of enactment of this Act.