

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 109<sup>th</sup> Congress<sup>1</sup>**

[Date approved: November 8, 2005]<sup>2</sup>

**Bill No. and sponsor:** H.R. 2450 (Mr. Tim Murphy of Pennsylvania)

**Proponent name, location:** LANXESS Corp., Pittsburgh, PA.

**Other bills on product (109<sup>th</sup> Congress only):** H.R. 2764.

**Nature of bill:** Extension of temporary duty suspension through December 31, 2009.

**Retroactive effect:** None.

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

2-Methyl-5-nitrobenzenesulfonic acid (CAS No. 121-03-9) (provided for in subheading 2904.90.20).

**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:**

The subject product is a synthetic organic chemical used as an intermediate in the manufacture of several pontamine dyes used by the paper industry. The subject chemical is imported from Germany.

<sup>1</sup> Industry analyst preparing report: Robert Randall (202-205-3366); Tariff Affairs contact: David Michels (202-205-3440).

<sup>2</sup> Access to an electronic copy of this memorandum is available at [http://usitc.gov/tata/hts/other/rel\\_doc/bill\\_reports/index.htm](http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm).

**Estimated effect on customs revenue:**

<b>HTS subheading: 2904.90.20</b>					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	5.5%	5.5%	5.5%	5.5%	5.5%
Estimated value <i>dutiable</i> imports	\$540,000	\$540,000	\$540,000	\$540,000	\$540,000
Customs revenue loss <sup>1/</sup>	\$29,700	\$29,700	\$29,700	\$29,700	\$29,700

<sup>1/</sup> Estimate revenue loss for 2005 and 2006 results from a current suspension of duty per heading 9902.29.23, which expires December 31, 2006.

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	8/26/2005	No	No	No
BASF Corporation Joseph C. Breunig, Fax: 704-587-7903	8/26/2005	No	No	No
Bayer Corporation Karen Niedermeyer, Fax: 412-777-7743	8/26/2005	No	No	No
Carey Industries, Inc. Raymond J. Carey, Fax: 203-791-2762	8/26/2005	No	No	No
Ciba Specialty Chemicals Corp. Michelle Forte, Fax: 914-785-4831	8/26/2005	No	No	No
Clariant Corporation Ken Golder Fax: 704-377-1063	8/26/2005	No	No	No
CMPA Larry Robinson, Fax: 703-684-1795	8/26/2005	No	No	No

Color Resources Int'l Inc. Wayne Jones, Fax: 864-862-6824	8/26/2005	No	No	No
Colorants & Textile Leather Chemicals Michael Strumpp, Fax: 973-426-3542	8/26/2005	No	No	No
ColorChem Steve Printz, Fax: 770-993-4780	8/26/2005	No	No	No
Day-Glo Michael Thornton, Fax: 216-391-1408	8/26/2005	No	No	No
DuPont Helen McMahon, Fax: 302-774-3980	8/26/2005	No	No	No
DyStar L.P. Van Hawkins, Fax: 704-561-3005	8/26/2005	No	No	No
ETAD Tucker Helms, Fax: 209-296-8120	8/26/2005	No	No	No
Everlight USA, Inc. Scott Chen, Fax: 704-588-0051	8/26/2005	No	No	No
Fanwood Chemical Jim DeLisi, Fax: 908-322-8494	8/26/2005	No	No	No
Milliken Ray Sanders, Fax: 864-503-1618	8/26/2005	No	No	No
NFC John Dickson, Fax: 803-548-2683	8/26/2005	No	No	No
Noveon Tom Dirmyer, Fax: 214-415-6001	8/26/2005	No	No	No
Noviant Paul Schmidt, Fax: 513-841-4841	8/26/2005	No	No	No
Passaic Color John Wojciechowski, Fax: 973-279-3175	8/26/2005	No	No	No
Rohm & Haas Steven Volger, Fax: 215-592-2550	8/26/2005	No	No	No
Sensient Technical Colors Dan Victor, Fax: 610-582-6663	8/26/2005	No	No	No
United Color Tom Nowakowski, Fax: 215-860-8560	8/26/2005	No	No	No

Yorkshire Americas, Inc. Allen Hughes, Fax: 704-376-3091	8/26/2005	No	No	No
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**Technical comments:**<sup>3</sup>

The Commission notes that two different HTS headings, 9902.02.36 and 9902.29.23, provide a duty suspension for the subject chemical, and there are bills pending to extend each duty suspension. This bill would extend the duty suspension provided in HTS 9902.29.23, while H.R. 2764 would extend the duty suspension provided in HTS heading 9902.02.36. Only one HTS heading needs to be extended, and the other heading should be deleted from the HTS. The Commission notes that the estimated Customs revenue loss in this report includes the estimate of imports from the proponent of this bill and the estimate from the proponent of H.R. 2764.

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<sup>3</sup> 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.

109<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 2450

To extend the temporary suspension of duty on PNTOSA.

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IN THE HOUSE OF REPRESENTATIVES

MAY 18, 2005

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

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## A BILL

To extend the temporary suspension of duty on PNTOSA.

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. PNTOSA.**

4       (a) IN GENERAL.—Heading 9902.29.23 of the Har-  
5       monized Tariff Schedule of the United States (relating to  
6       PNTOSA) is amended by striking “12/31/2006” and in-  
7       serting “12/31/2009”.

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