

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: December 16, 2005]²

Bill No. and sponsor: H.R. 2850 (Mrs. Sue Myrick of North Carolina).

Proponent name, location: Clariant Corp., Mount Holly, NC.

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

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

Retroactive effect: None.

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

1-Acetyl-4-(3-dodecyl-2,5-dioxo-1-pyrrolidiny)-2,2,6,6-tetramethylpiperidine (CAS No. 106917-31-1)
(provided for in subheading 2933.39.61).

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 product is a synthetic organic chemical used to increase the performance, especially weather-fastness, of coatings used in outdoor environments. It is imported from Germany.

¹ Industry analyst preparing report: Philip Stone (202-205-3424); 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>2933.39.61</u>					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$650,000	\$675,000	\$707,000	\$743,000	\$820,000
Customs revenue loss ^{1/}	\$42,250	\$43,875	\$45,955	\$48,295	\$53,300

^{1/} The estimated Customs revenue loss for 2005 and 2006 results from a duty suspension under HTS heading 9902.04.06 that expires on 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)		
Clariant Corp. (Proponent) William T. Lyons, 202-326-0290 Andrew Zamoyski, 401-823-2230	09/29/2005	No	No	No
Allied Signal Sara Froehlich, Fax: 202-715-1001	10/03/2005	No	No	No
Ashland Chemical Mike Toohey, Fax: 202-293-2913	10/03/2005	No	No	No
BASF Functional Polymers Bus. Group Joseph C. Breunig, Fax: 704-587-7903	10/18/2005	No	No	No
Bayer Corporation Karen Niedermeyer, Fax: 412-777-4740	10/18/2005	No	No	No
Cytec Industries Diane Julia, 973-357-3479	10/18/2005	No	No	No
Eastman Chemical Co. Greg Riddle, Fax: 703-524-7707	10/03/2005	No	No	No
Great Lakes Chemical Robert Lee, Fax: 765-497-6040	10/03/2005	No	No	No
Lonza Inc. Ray Esposito, Fax: 201-696-3487	10/03/2005	No	No	No

Noveon Tom Dirmyer, Fax: 216-447-5720	10/03/2005	No	No	No
Perstorp Polyols, Inc. Jeff Jones, Fax: 419-729-3291	10/03/2005	No	No	No
Tennant Co. Mary Heie, Fax: 763-513-1808	10/03/2005	No	No	No
Total Specialty Chemicals, Inc. Tad Acker, Fax: 203-966-1505	10/03/2005	No	No	No
Union Carbide Jim Murray, Fax: 202-347-1684	10/03/2005	No	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.

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

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