

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress ¹**

[Date approved: December 16, 2005]²

Bill No. and sponsor: H.R. 2880 (Mr. Steve Chabot of Ohio).

Proponent name, location: Sun Chemical Corp., Parsippany, NJ.

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

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

Retroactive effect: None.

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

3,3'-Dichlorobenzidine dihydrochloride (CAS No. 612-83-9) (provided for in subheading 2921.59.80).

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:

This product, imported from China, India, Korea, and Japan, is an intermediate used to make organic pigments for inks.

Estimated effect on customs revenue:

HTS subheading: <u>2921.59.80</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	\$27,625,000	\$27,625,000	\$27,625,000	\$27,625,000	\$27,625,000
Customs revenue loss ^{1/}	\$1,795,625	\$1,795,625	\$1,795,625	\$1,795,625	\$1,795,625

^{1/} A portion of the estimated Customs revenue loss for 2005 and 2006 results from a duty reduction to 5.1 percent ad valorem under HTS heading 9902.03.28 that expires on December 31, 2006.

Source of estimated dutiable import data: Industry estimates.

¹ Industry analyst preparing report: Larry Johnson (202-205-3351); 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.

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)		
Sun Chemical Corp. (Proponent) Raymond Irwin/Steven Schmitt 513-681-5950	10/24/2005	No	No	No
Abbott Elaine Leavenworth, Fax: 202-783-6631	10/25/2005	No	No	No
Allegheny Color Corp. Mary Gallisdorfer, Fax: 818-772-1559	10/24/2005	No	No	No
American Chemistry Council Jim O'Connor, Fax: 703-741-6922	10/25/2005	No	No	No
Apollo Color, Inc. Dave Klebine, Fax: 815-741-2599	10/24/2005	No	No	No
BASF Phil Webb, Fax: 704-587-8252	10/24/2005	No	No	No
Bayer Karen Niedermeyer, Fax: 412-777-4740	10/25/2005	No	No	No
Biddle Sawyer William Thonack, Fax: 212-239-1089	10/25/2005	No	No	No
Blackman Uhler Jeter Starnes, Fax: 864-596-1501	10/24/2005	No	No	No
Ciba Specialty Chemicals John Deming, Fax: 302-479-5152	10/24/2005	No	No	No
Clariant Corp. Andrew Zamoyski, Fax: 401-823-2700	10/24/2005	No	No	No
Daicolor-Pope Inc., Norman Russo, Fax: 973-279-1256	10/24/2005	No	No	No
Dupont Corp. Helen McMahon, Fax: 302-774-1398	10/24/2005	No	No	No
Eastman Chemical Greg Riddle, Fax: 703-524-7707	10/24/2005	No	No	No
Engelhard Corp. Roland Valin, Fax: 732-321-1598	10/24/2005	No	No	No
Fanwood Chemical, Inc. Jim DeLisi, Fax: 908-322-8494	10/24/2005	No	No	No

Galaxie Chemical Corp. Michael Santoro, Jr., Fax: 973-790-7104	10/24/2005	No	No	No
Honeywell Int'l. Art Simonetti, Fax: 202-662-2675	10/25/2005	No	No	No
LANXESS Corp. Jamie Schaeffer, Fax: 412-809-3614	10/24/2005	No	No	No
Magruder Color Co. Evan Weissglass, Fax: 973-242-4087	10/24/2005	No	No	No
Mason Color Works. Inc. Ann Herdmann, Fax: 330-385-4488	10/24/2005	No	No	No
Max Mark Color Corp. Tom Doty, Fax: 973-373-9301	10/24/2005	No	No	No
Monsanto Corp. Linda Strachan, Fax: 202-789-1867	10/25/2005	No	No	No
National Paint & Coatings Assn. Bob Branand, Fax: 202-546-3959	10/24/2005	No	No	No
NFC John Dickson, Fax: 803-548-2683	10/24/2005	No	No	No
Noveon Tom Dirmyer, Fax: 216-447-5720	10/24/2005	No	No	No
PMC Inc. Gordon McCullough, Fax: 513-482-7884	10/24/2005	No	No	No
Rhodia Dominick Cangiana, Fax: 609-860-1841	10/25/2005	No	No	No
Roma Color, Inc. Stuart Booth, Fax: 508-676-9011	10/24/2005	No	No	No
Solutia Corp. Dan Jenkins, Fax: 314-674-1585	10/25/2005	No	No	No
Uniroyal Chemical Co. Lloyd Moon, Fax: 203-573-4430	10/25/2005	No	No	No

Technical comments:³

The Commission notes that HTS heading 9902.03.28 currently provides a temporary duty reduction for this chemical. The Commission suggests that the new duty suspension be enacted using this heading number by deleting “5.1%” in HTS heading 9902.03.28 and inserting the word “Free”, and by amending the date in the effective period column.

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. 2880

To suspend temporarily the duty on 3,3 Dichlorobenzidine Dihydrochloride.

IN THE HOUSE OF REPRESENTATIVES

JUNE 14, 2005

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

A BILL

To suspend temporarily the duty on 3,3 Dichlorobenzidine
Dihydrochloride.

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. 3,3 DICHLOROBENZIDINE DIHYDROCHLORIDE.**

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:

“	9902.11.04	[1,1' Biphenyl] – 4,4' Diamino, 3,3' Dichloro, Dihydrochloride (CAS No. 612–83–9) (provided for in subheading 2921.59.80)	Free	No change	No change	On or before 12/31/2008	”.
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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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