

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: June 7, 2006]²

Bill No. and sponsor: H.R. 3258 (Mr. John W. Olver of Massachusetts).

Proponent name, location: Steinerfilm, Inc., Williamstown, MA.

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)):

Biaxially-oriented polyethylene terephthalate film, suitable for use in capacitors, produced from solvent-washed low ash content (<300 ppm) polymer resin (CAS No. 25038-59-9) (provided for in subheading 3920.62.00)

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 consists of biaxially-oriented polyethylene terephthalate film (PET film) having a thickness ranging between 0.5 microns and 25 microns. These films may potentially be used for a variety of electronics applications, including capacitors and connectors, display screens, flat cable and flexible circuits, membrane touch switches, motor insulation, and wire and cable insulation. PET films above 8 microns can also, in theory, be used in many other applications, including food packaging. The proponent metallizes raw PET film for use in capacitors prior to downstream sales. The raw unmetallized capacitor grade PET film is imported from Japan and Luxemburg.

¹ Industry analyst preparing report: Ray Cantrell (202-205-3362); 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: 3920.62.00					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	4.2%	4.2%	4.2%	4.2%	4.2%
Estimated value <i>dutiable</i> imports	\$62,500,000	\$62,500,000	\$62,500,000	\$62,500,000	\$62,500,000
Customs revenue loss	\$2,625,000	\$2,625,000	\$2,625,000	\$2,625,000	\$2,625,000

Source of estimated dutiable import data: Commission and industry estimates; includes only the aggregate value of the two countries from which proponent imports.

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)		
Steinerfilm, Inc. (Proponent) Mr. Stan Cichanowski, 413-458-9525, ex. 111	11/22/2005	Yes	Yes	No
AET Films Mr. Jim Rich, 302-326-5500	11/28/2005	No	No	No
DuPont Teijin Films Ms. Elaine Olsen, 302-992-2263	11/23/2005	No	No	No
ExxonMobil Chemical Mr. Jim Rich, 302-326-5500	11/28/2005	No	No	No
3M Company Mr. John J. Scanlon, 651-733-1519	11/23/2005	No	No	No
Mitsubishi Polyester Film Mr. Carlton Winn, 864-879-5811	11/23/2005	No	No	No
SKC Polyester Films Mr. Jeff Brown, 678-342-1132	11/23/2005	No	No	No
Terephane Mr. Dan Roy, 585-755-2815	11/28/2005	No	No	No
Toray Plastics (America), Incorporated Mr. Todd Eckles, 401-294-4511	11/23/2005	No	No	No
Wilmer Cutler Pickering Mr. Ronald I. Meltzer, 202-663-6389	11/23/2005	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 provide the correct HTS classification, the correct CAS number, and to provide a description that limits coverage of the duty suspension to PET film for use in electronics applications.

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. 3258

To suspend temporarily the duty on biaxially oriented polyethylene terephthalate dielectric film.

IN THE HOUSE OF REPRESENTATIVES

JULY 12, 2005

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

A BILL

To suspend temporarily the duty on biaxially oriented polyethylene terephthalate dielectric film.

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. BIAXIALLY ORIENTED POLYETHYLENE**
4 **TEREPHTHALATE DIELECTRIC FILM.**

5 (a) IN GENERAL.—Subchapter II of chapter 99 of
6 the Harmonized Tariff Schedule of the United States is
7 amended by inserting in numerical sequence the following
8 new heading:

“	9902.08.24	Biaxially oriented polyethylene terephthalate dielectric film (CAS No. 25038–9–9) (provided in sub-heading 3920.20.20)	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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