

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: May 18, 2006]²

Bill No. and sponsor: H.R. 3295 (Mr. Michael Castle of Delaware).

Proponent name, location: Avecia Inc., Wilmington, DE.

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)):

Copper phthalocyanine substituted with sulphonic acids and alkyl sulphonamides, sodium/ammonium salts (PMN No. P02-893) (provided for in subheading 3204.14.30).

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 third generation ink-jet colorant that is used in ink-jet applications. The subject product is imported from the United Kingdom. The proponent, Avecia Inc., reports that a majority of the subject product is re-exported after U.S. processing, thereby qualifying for drawback.

¹ Industry analyst preparing report: Stephen Wanser (202-205-3363); 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>3204.14.30</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	\$14,400,000	\$14,400,000	\$14,400,000	\$14,400,000	\$14,400,000
Customs revenue loss ¹	\$187,000	\$187,000	\$187,000	\$187,000	\$187,000

¹ The estimated Customs revenue loss has been reduced by \$749,000 for each year because Avecia, the proponent company, estimates that that is the amount of Customs duties that will be refunded as drawback when a majority of the subject product is re-exported.

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)		
Avecia Inc. (Proponent) Mike Gill, 202-508-8843	9/30/2005	No	No	No
BASF, Functional Polymers Bus. Group Joseph Breunig, 704-587-7900	9/30/2005	No	No	No
Bayer Corporation Karen Niedermeyer, 412-777-2058	9/30/2005	No	No	No
Ciba Specialty Chemicals Michelle Forte, 914-785-2483	9/30/2005	No	No	No
Clariant Corporation Nick Altman, 704-822-2701 Andy Zamoyski 401-823-2700	9/20/2005	No	No	No
Day-Glo Corporation Richard Thornton, 216-391-7070	9/30/2005	No	No	No
Dystar L.P. Ron Pedemonte, 704-561-2651	9/20/2005	No	No	No
ETAD Tucker Helms, PhD, 202-721-4154	9/30/2005	No	No	No
Everlight, USA, Inc. Scott Chen, 704-558-1004	9/30/2005	No	No	No

Fanwood Chemical Inc. Mr. V.M. (Jim) DiLisi, 908-322-8440	9/30/2005	No	No	No
Milliken Industries Ray Saunders, 864-503-1618	9/30/2005	No	No	No
Passaic Color John Wojciechowski, 973-279-0400	9/30/2005	No	No	No
Rohm & Haas Steven Volger, 215-592-3425	9/30/2005	No	No	No
Sensient Color Inc. Dan Victor, 314-286-7167	9/30/2005	No	No	No

Technical comments:³

In order to facilitate the effective administration of this duty suspension by Customs and Border Protection, the Commission suggests that the proponent provide a more specific article description that includes a valid chemical name and a CAS registry number.

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. 3295

To suspend temporarily the duty on pro-jet cyan 854 liquid feed.

IN THE HOUSE OF REPRESENTATIVES

JULY 14, 2005

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

A BILL

To suspend temporarily the duty on pro-jet cyan 854 liquid
feed.

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. PRO-JET BLACK CYAN 854 LIQUID FEED.**

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:

“	9902.13.03	Copper phthalocyanine substituted with sulphonic acids and alkyl sulphonamides, sodium/ammonium salts (PMN No. P02-893) (provided for in subheading 3204.14.30)	Free	No change	No change	On or before 12/31/2008	”.
---	------------	---	------	-----------	-----------	-------------------------	----

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.

○