

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: June 9, 2006]²

Bill No. and sponsor: S. 2301 (Mr. Charles E. Schumer of New York).

Proponent name, location: Schott Lithotec USA, Corp., Poughkeepsie, New York.

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

Nature of bill: Renewal of temporary duty provision through December 31, 2008.³

Retroactive effect: None.

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

Substrates of synthetic quartz or synthetic fused silica imported in bulk or in forms or packages for retail sale (provided for in subheading 7006.00.40).

Check one: Same as that in bill as introduced.⁴
 Different from that in bill as introduced (see Technical comments section).

Product information, including uses/applications and source(s) of imports:

This bill would cover synthetic quartz substrates (sheets) and/or synthetic fused silica. These sheets of what is essentially high-purity glass are produced primarily to be transformed into photomask blanks by coating them with two layers of specific materials. A photomask blank is transformed into an actual photomask by removing the outermost coating on the substrate to reveal the pattern of an electronic circuit in the underlying coating. Photomasks are used to project circuit patterns onto semiconductor material as part of the semiconductor manufacturing process. The principal sources of imports provided for in subheading 7006.00.40 are China, Japan, Germany, and Belgium.

¹ Industry analyst preparing report: Gail Burns (202-205-2501); Tariff Affairs contact: Jan Summers (202-205-2605).

² Access to an electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

³ Heading 9902.70.06 as originally enacted expired on Dec. 31, 2003.

⁴ The proposed provision's article description is identical to that of the provision the bill would delete. It would be possible to reinstate this duty suspension simply by deleting the present expiration date "On or before 12/31/2003" from the heading and inserting the new one.

Estimated effect on customs revenue:

HTS subheading: 7006.00.40					
	2006	2007	2008	2009	2010
Col. 1-General rate of duty	4.9%	4.9%	4.9%	4.9%	4.9%
Estimated value <i>dutiable</i> imports	\$14,000,000	\$14,000,000	\$14,000,000	\$14,000,000	\$14,000,000
Customs revenue loss	\$686,000	\$686,000	\$686,000	\$686,000	\$686,000

Source of estimated dutiable import data: Official U.S. Government statistics and industry information.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)	Submission attached?	Opposition noted?
		(Yes/No)		
Schott Lithotec USA, Corp. (Proponent) Richard D. Moore, 845-463-5361	04/05/2006	No	Yes	No
Corning Inc. Robert Quinn, 607-974-7118	04/26/2006	Yes	No	No ⁵
Seagate Technology, 831-438-6550	04/27/2006	No	No	No
SEH America Parker Brinnson, 360-883-7661	04/27/2006	No	No	No
SEMI Maggie Hershey, 202-289-0440	05/05/2006	No	No	No

Technical comments:⁶

Because this tariff heading is still in the HTS (though its duty treatment has expired), it is suggested that the bill should be redrafted merely to delete the present expiration date and replace it with the new one (see footnote 4).

⁵ No written submission from the firm has been received to date; Mr. Quinn has indicated in telephone conversations that Corning produces the subject product.

⁶ 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
2^D SESSION

S. 2301

To suspend temporarily the duty on synthetic quartz or synthetic fused silica.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 16, 2006

Mr. SCHUMER (for himself and Mrs. CLINTON) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To suspend temporarily the duty on synthetic quartz or synthetic fused silica.

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. TEMPORARY SUSPENSION OF DUTY ON SUB-**
4 **STRATES OF SYNTHETIC QUARTZ OR SYN-**
5 **THETIC FUSED SILICA.**

6 (a) IN GENERAL.—Subchapter II of chapter 99 of
7 the Harmonized Tariff Schedule of the United States is
8 amended by striking heading 9902.70.06 and inserting the
9 following:

“	9902.70.06	Substrates of synthetic quartz or synthetic fused silica imported in bulk or in forms or packages for retail sale (provided for in sub-heading 7006.00.40)	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 enactment of this Act.

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