

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: October 24, 2006]²

Bill No. and sponsor: S. 2476 (Mr. Mike DeWine of Ohio and Mr. George V. Voinovich of Ohio).

Proponent name, location: Flexsys America L.P., Akron, OH.

Other bills on product (109th Congress only): H.R. 4552.

Nature of bill: Temporary duty suspension through December 31, 2009.

Retroactive effect: None.

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

N-Cyclohexylthiophthalimide (CAS No. 17796-82-6) (provided for in subheading 2930.90.24).

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:

N-Cyclohexylthiophthalimide is a synthetic organic chemical that is used as a pre-vulcanization inhibitor. The product is added to crude rubber before it is processed into finished goods such as tires. Flexsys America imports the product from the United Kingdom.

Estimated effect on customs revenue:

HTS subheading: <u>2930.90.24</u>					
	2006	2007	2008	2009	2010
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$7,727,000	\$7,727,000	\$7,727,000	\$7,727,000	\$7,727,000
Customs revenue loss 1/	\$502,255	\$502,255	\$502,255	\$502,255	\$502,255

1/ A portion of the estimated customs revenue loss for 2006 reflects the existing duty reduction under HTS heading 9902.03.30 that expires on December 31, 2006.

Source of estimated dutiable import data: Commission estimates based on official U.S. Government statistics.

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.

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)		
Flexsys America L.P. (Proponent) Mike Fulton, 703-741-7500	08/01/2006	No	No	No
Abbott Elaine Leavenworth, Fax: 202-783-6631	08/02/2006	No	No	No
American Chemistry Council Jim O'Connor, Fax: 703-741-6922	08/02/2006	No	No	No
Bayer Corporation Julie Van Egmund, Fax: 202-737-8909 Karen L. Niedermeyer, Fax: 412-777-4740	08/02/2006	No	No	No
Biddle Sawyer William Thonack, Fax: 212-239-1089	08/02/2006	No	No	No
Ciba Specialty Chemicals John Demming, Fax: 302-479-5152	08/02/2006	No	No	No
DuPont Helen McMahon, Fax: 302-355-2994	08/02/2006	No	No	No
Eastman Chemical Company Jorge San Pedro, Fax: 703-524-7707 Greg Riddle, Fax: 703-524-7707	08/02/2006	No	No	No
Honeywell International Art Simonetti, Fax: 202-662-2675	08/02/2006	No	No	No
Monsanto Corporation Michael Parrish, Fax: 202-789-1867 Linda Strachan, Fax: 202-789-1867	08/02/2006	No	No	No
Rhodia Dominick Cangiana, Fax: 609-860-2256	08/02/2006	No	No	No
Solutia Dan Jenkins, Fax: 314-674-1585 Sue Cannon, Fax: 314-674-1585	08/02/2006	No	No	No
Uniroyal Chemical Company Lloyd Moon, Fax: 203-573-4430	08/02/2006	No	No	No

Technical comments:³

The Commission suggests that the proposed temporary duty suspension for the subject chemical be enacted by using the existing HTS heading that provides a temporary duty reduction for the chemical. HTS heading 9902.03.30 would need to be amended by striking “3%” and inserting “Free” and by striking “12/31/2006” and inserting “12/31/2009”.

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
2^D SESSION

S. 2476

To suspend temporarily the duty on N-Cyclohexylthiophthalimide.

IN THE SENATE OF THE UNITED STATES

MARCH 29, 2006

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

A BILL

To suspend temporarily the duty on N-
Cyclohexylthiophthalimide.

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. N-CYCLOHEXYLTHIOPHTHALIMIDE.**

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:

“	9902.09.01	N-Cyclohexylthiophthalimide (CAS No. 17796-82-6) (provided for in subheading 2930.90.24)	Free	No change	No change	On or before 12/31/2009	”.
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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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