

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: October 11, 2006]²

Bill No. and sponsor: S. 3351 (Mr. Edward M. Kennedy of Massachusetts).

Proponent name, location: EC Pigments, Fall River, MA.

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

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

Retroactive effect: None.

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

3-Methyl-1-(p-tolyl)-2-pyrazolin-5-one (p-Tolyl methyl pyrazolone) (CAS No. 86-92-0) (provided for in subheading 2933.19.04).

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:

3-Methyl-1-(p-tolyl)-2-pyrazolin-5-one is a synthetic organic chemical that is used as an intermediate in the dyeing industry. This product is imported free of duty from all NTR countries. The product is imported from India and China.

Estimated effect on customs revenue:

| HTS subheading: <u>2933.19.04</u> | | | | | |
|---|----------|----------|----------|----------|----------|
| | 2006 | 2007 | 2008 | 2009 | 2010 |
| Col. 1-General rate of duty | Free | Free | Free | Free | Free |
| Estimated value <i>dutiable</i> imports | \$30,000 | \$30,000 | \$30,000 | \$30,000 | \$30,000 |
| Customs revenue loss | \$0 | \$0 | \$0 | \$0 | \$0 |

Source of estimated dutiable import data: Industry estimates.

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

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.

| Name of firm/organization | Date contacted | Claim US makes same or competing product(s)? | Submission attached? | Opposition noted? |
|---|----------------|--|----------------------|-------------------|
| | | (Yes/No) | | |
| EC Pigments (Proponent) Jim DeLisi, 908-322-8440 | 08/10/2006 | No | No | No |
| BASF, Functional Polymers Business Group Cenan Ozmeral, Fax: 704-587-7903 | 08/21/2006 | No | No | No |
| Bayer Corporation Karen L. Niedermeyer, Fax: 412-777-4740 | 08/21/2006 | No | No | No |
| Ciba Specialty Chemicals John Deming, Fax: 302-479-5152 | 08/21/2006 | No | No | No |
| ColorChem Steve Printz, Fax: 770-993-4780 | 08/21/2006 | No | No | No |
| Color Resources International Inc. Wayne Jones, Fax: 864-862-6824 | 08/21/2006 | No | No | No |
| CPMA Larry Robinson, Fax: 703-684-1795 | 08/21/2006 | No | No | No |
| Day-Glo Richard Thornton, Fax: 216-391-1408 | 08/21/2006 | No | No | No |
| DyStar L.P. Van Hawkins, Fax: 704-561-3005 | 08/21/2006 | No | No | No |
| ETAD Tucker Helms, Fax: 202-296-8120 | 08/21/2006 | No | No | No |
| Everlight USA, Inc. Scott Chen, Fax: 704-588-0051 | 08/21/2006 | No | No | No |
| Fujifilm Imaging Colorants, Inc. Mike Gill, Fax: 202-628-5116 Pat McGlinchey, Fax: 302-477-8103 | 08/21/2006 | No | No | No |
| Lanxess Corporation Jamie Schaeffer, Fax: 412-809-3614 Seth Tomei, Fax: 412-809-3614 | 08/21/2006 | No | No | No |
| Milliken Ray Sanders, Fax: 864-503-1618 | 08/21/2006 | No | No | No |
| NFC John Dickson, Fax: 803-548-2683 | 08/21/2006 | No | No | No |
| Passaic Color John Wojciechowski, Fax: 973-279-3175 | 08/21/2006 | No | No | No |

| Name of firm/organization | Date contacted | Claim US makes same or competing product(s)? | Submission attached? | Opposition noted? |
|---|----------------|--|----------------------|-------------------|
| | | | | |
| Rohm & Haas Steven Volger, Fax: 215-592-2550 | 08/21/2006 | No | No | No |
| United Color Tom Nowakowski, Fax: 215-860-8560 | 08/21/2006 | No | No | No |

Technical comments:³

The Commission suggests the article description on page 1 of this report be used in the proposed new heading to match the chemical name used in HTS subheading 2933.19.04.

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. 3351

To suspend temporarily the duty on 1-(P-Tolyl)-3-Methyl-5-Pyrazolone.

IN THE SENATE OF THE UNITED STATES

JUNE 5, 2006

Mr. KENNEDY introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To suspend temporarily the duty on 1-(P-Tolyl)-3-Methyl-5-Pyrazolone.

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. 1-(P-TOLYL)-3-METHYL-5-PYRAZOLONE.**

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:

| | | | | | | | | | | | | |
|---|------------|--|---|--|------|--|-----------|--|-----------|--|----------------------------|----|
| “ | 9902.31.21 | | 1-(P-Tolyl)-3-Methyl-5-Pyrazolone (CAS No. 86-92-0) (provided for in sub- heading 2933.19.04) | | Free | | No change | | No change | | On or before 12/31/2009 | ”. |
|---|------------|--|---|--|------|--|-----------|--|-----------|--|----------------------------|----|

8 (b) EFFECTIVE DATE.—The amendment made by
9 subsection (a) applies to goods entered, or withdrawn from

- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of the enactment of this Act.

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