

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 110th Congress¹**

[Date approved: May 8, 2008]²

Bill No. and sponsor: H.R. 4659 (Mr. Rush D. Holt of New Jersey).

Proponent name,³ location: Rhodia Inc., Cranbury, New Jersey.

Other bills on product (110th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2011.

Retroactive effect: None.

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

Aqueous mixtures of polyvinyl alcohol (CAS No. 98002-48-3) and polyvinylpyrrolidone (CAS No. 9003-39-8) (provided for in subheading 3905.99.80).

Check one: ___ Same as that in bill as introduced.
 X 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 dilute aqueous mixture of various concentrations of polyvinyl alcohol and polyvinylpyrrolidone. It is used as an additive in cement slurries for the capping of gas wells. The product is imported from France.

Estimated effect on customs revenue:

HTS subheading: <u>3905.99.80</u>					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty	5.3%	5.3%	5.3%	5.3%	5.3%
Estimated value <i>dutiable</i> imports	\$2,000,000	\$2,100,000	\$2,200,000	\$2,300,000	\$2,500,000
Customs revenue loss	\$106,000	\$111,300	\$116,600	\$121,900	\$132,500

Source of estimated dutiable import data: Commission and U.S. industry estimates.

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

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://www.usitc.gov/tata/hts/other/rel_doc/bill_reports/.

³ The sponsor/proponent did not identify any additional beneficiaries of this bill.

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Rhodia Inc. (Proponent) Jerry McNew, 609-860-4630 Steven R. Valentine, 202-661-3802	03/11/2008	No	No	No
Bayer Corporation Karen Niedermeyer, 412-777-2058	03/13/2008	No	No	No
Capital Trade, Incorporated Daniel W. Klett, 202-955-6805	03/12/2008	No	No	No
Celanese Chemicals Scott Neuheardt, 972-443-4000 Lou Pervis, 972-443-8211	03/12/2008	No	No	No
Clariant Corporation Andrew Zamoyski, az@azamoyski.com	03/10/2008	No	No	No
DuPont Helen McMahon, 302-992-2263	03/10/2008	No	No	No
LANXESS Corporation Jamie Schaffer, 412-809-3666	03/13/2008	No	No	No
Solutia, Incorporated Bob Hurley, 202-289-9800	03/12/2008	No	No	No

Technical comments:⁴

The Commission staff recommends that the article description on page 1 of this report be used in the proposed new heading in order to provide the correct spelling of the chemical name and to modify the article description to reflect an aqueous mixture.

⁴ 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.

110TH CONGRESS
1ST SESSION

H. R. 4659

To suspend temporarily the duty on mixtures of polyvinyl alcohol and polyvinyl pyrrolidone.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 13, 2007

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

A BILL

To suspend temporarily the duty on mixtures of polyvinyl alcohol and polyvinyl pyrrolidone.

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. MIXTURES OF POLYVINYL ALCOHOL AND POLY-**

4 **VINYL PYRROLIDONE.**

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.____	Mixtures of polyvinyl alcohol (CAS No. 98002-48-3) and polyvinyl pyrrolidone (CAS No. 9003-39-8) (provided for in subheading 3905.99.80)	Free	No change	No change	On or before 12/31/2011	”.
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1 (b) **EFFECTIVE DATE.**—The amendment made by
2 subsection (a) applies to articles entered, or withdrawn
3 from warehouse for consumption, on or after the 15th day
4 after the date of the enactment of this Act.

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