

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 110<sup>th</sup> Congress**<sup>1</sup>

[Date approved: June 10, 2008]<sup>2</sup>

**Bill No. and sponsor:** H.R. 4734 (Mr. Michael N. Castle of Delaware).

**Proponent name,<sup>3</sup> location:** Fujifilm Imaging Colorants Inc., Wilmington, DE.

**Other bills on product (110<sup>th</sup> Congress only):** H.R. 4733 (Mr. Michael N. Castle of Delaware).

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

**Retroactive effect:** None.

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

1. New duty suspension:

Substituted phenylene [[morphylinyl triazinediyl]bis phenylene azo]bis, ammonium/sodium/hydrogen salt (PMN No. P94-36) (provided for in subheading 3215.19.00).

2. New duty suspension:

Copper phthalocyanine substituted with sulfonic acids and sulfonamides (PMN No. P94-580) (provided for in subheading 3215.19.00).

3. Provided for in existing HTS heading 9902.25.48:

Copper phthalocyanine substituted with sulfonic acids and alkyl sulfonamides, sodium salt (PMN No. P99-105) (provided for in subheading 3215.19.00).

4. Provided for in existing HTS heading 9902.25.46:

[(Substituted naphthalenylazo) substituted naphthalenyl azo] carboxyphenylene, sodium salt (PMN No. P90-391) (provided for in subheading 3215.11.00).

5. Provided for in existing HTS heading 9902.25.45:

Nickel [substituted naphthenyl azo] substituted triazole, sodium salt (PMN No. P03-307) (provided for in subheading 3215.19.00).

**Check one:**     Same as that in bill as introduced.

<sup>1</sup> Industry analyst preparing report: L. Johnson (202-205-3351); Tariff Affairs contact: D. Michels (202-205-3440).

<sup>2</sup> Access to an electronic copy of this memorandum is available at [http://www.usitc.gov/tata/hts/other/rel\\_doc/bill\\_reports/](http://www.usitc.gov/tata/hts/other/rel_doc/bill_reports/).

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

X Different from that in bill as introduced (see Technical comments section).

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

The subject products are colorants that are used to make inks that are put in cartridges for ink-jet printers. They are imported from the United Kingdom.

**Estimated effect on customs revenue:**

| <b>Total Estimated Revenue loss for this Bill</b> |           |           |           |           |           |
|---|-----------|-----------|-----------|-----------|-----------|
|   | 2009      | 2010      | 2011      | 2012      | 2013      |
| Customs revenue loss <sup>1/</sup>                | \$170,100 | \$475,200 | \$475,200 | \$475,200 | \$475,200 |

<sup>1/</sup> The proponent states that the subject products would be eligible for duty drawback and that drawback is estimated to reduce the estimated total revenue loss for this bill by more than \$150,000 annually.

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

| <b>HTS subheading: <u>3215.11.00</u></b> |             |             |             |             |             |
|--|-------------|-------------|-------------|-------------|-------------|
|  | 2009        | 2010        | 2011        | 2012        | 2013        |
| Col. 1-General rate of duty              | 1.8%        | 1.8%        | 1.8%        | 1.8%        | 1.8%        |
| Estimated value <i>dutiable</i> imports  | \$2,860,000 | \$2,860,000 | \$2,860,000 | \$2,860,000 | \$2,860,000 |
| Customs revenue loss <sup>1/</sup>       | \$0         | \$51,480    | \$51,480    | \$51,480    | \$51,480    |

<sup>1/</sup> There is an existing duty suspension under HTS heading 9902.25.46 that expires on December 31, 2009. Therefore, there will be no customs revenue loss related to this heading for 2009.

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

| <b>HTS subheading: <u>3215.19.00</u></b> |              |              |              |              |              |
|--|--------------|--------------|--------------|--------------|--------------|
|  | 2009         | 2010         | 2011         | 2012         | 2013         |
| Col. 1-General rate of duty              | 1.8%         | 1.8%         | 1.8%         | 1.8%         | 1.8%         |
| Estimated value <i>dutiable</i> imports  | \$23,540,000 | \$23,540,000 | \$23,540,000 | \$23,540,000 | \$23,540,000 |
| Customs revenue loss <sup>1/</sup>       | \$170,100    | \$423,720    | \$423,720    | \$423,720    | \$423,720    |

<sup>1/</sup> There are existing duty suspensions under HTS headings 9902.25.45 and 9902.25.48 that expire on December 31, 2009. Therefore, there will be no customs revenue loss related to these headings for 2009. However, the bill contains two new duty suspensions and the estimated customs revenue loss for 2009 for the two new duty suspension is based on estimated future dutiable imports of \$9,450,000.

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

**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)             |                   |
| Fujifilm Imaging Colorants Inc. (Proponent)<br>Mike Gill, 202-508-8843   | 04/21/2008     | No   | No                   | No                |
| Abbott Laboratories<br>Elaine Leavenworth, Fax: 202-783-6631   | 04/21/2008     | No   | No                   | No                |
| BASF, Functional Polymers Group<br>Joseph Breunig, Fax: 973-245-6721   | 04/21/2008     | No   | No                   | No                |
| Bayer Corporation<br>Karen L. Niedermeyer, Fax: 412-777-4740   | 04/21/2008     | No   | No                   | No                |
| Biddle Sawyer<br>William Thonack, Fax: 212-239-1089  | 04/21/2008     | No   | No                   | No                |
| Ciba Specialty Chemicals<br>Bob Hurley, <a href="mailto:Rhurley@theaccordgroup.com">Rhurley@theaccordgroup.com</a> | 03/11/2008     | No   | No                   | No                |
| Clariant Corp.<br>Andrew Zamoyski, 202-415-9159  | 04/21/2008     | No   | No                   | No                |
| CMPA<br>Larry Robinson, Fax: 703-684-1795  | 04/21/2008     | No   | No                   | No                |
| ColorChem<br>Steve Printz, Fax: 770-993-4780   | 04/21/2008     | No   | No                   | No                |
| Color Resources International Inc.<br>Wayne Jones, Fax: 864-862-6824   | 04/21/2008     | No   | No                   | No                |
| Day-Glo<br>Richard Thornton, Fax: 216-391-1408   | 04/21/2008     | No   | No                   | No                |
| DuPont<br>Helen McMahon, Fax: 302-355-2994   | 04/21/2008     | No   | No                   | No                |
| DyStar L.P.<br>Van Hawkins, Fax: 704-561-3005  | 04/21/2008     | No   | No                   | No                |
| Eastman Chemical Company<br>Greg Riddle, Fax: 703-524-7707   | 04/21/2008     | No   | No                   | No                |
| ETAD<br>Tucker Helms, Fax: 202-296-8120  | 04/21/2008     | No   | No                   | No                |
| Everlight USA, Inc.<br>Scott Chen, Fax: 704-588-0051   | 04/21/2008     | No   | No                   | No                |
| Fanwood Chemical<br>Jim DeLisi, Fax: 908-322-8494  | 04/21/2008     | No   | No                   | No                |
| Honeywell International<br>Art Simonetti, Fax: 202-662-2675  | 04/21/2008     | No   | No                   | No                |
| LANXESS Corporation<br>Jamie B. Schaeffer, Fax: 412-809-3614   | 04/21/2008     | No   | No                   | No                |
| Milliken<br>Ray Sanders, Fax: 864-503-1618   | 04/21/2008     | No   | No                   | No                |

| Name of firm/organization   | Date contacted | Claim US makes same or competing product(s)? | Submission attached? | Opposition noted? |
|---|----------------|--|----------------------|-------------------|
|   |                | (Yes/No)                                     |                      |                   |
| Monsanto Corporation<br>Grant Erdal, Fax: 202-789-1867                | 04/21/2008     | No   | No                   | No                |
| NAPIM<br>James Coleman, Fax: 732-855-1838                             | 04/21/2008     | No   | No                   | No                |
| NFC<br>John Dickson, Fax: 803-548-2683                                | 04/21/2008     | No   | No                   | No                |
| Noveon<br>Tom Dirmyer, Fax: 216-447-5720                              | 04/21/2008     | No   | No                   | No                |
| Passaic Color<br>John Wojciechowski, Fax: 973-279-3175                | 04/21/2008     | No   | No                   | No                |
| Rhodia<br>Dominick Cangiano, Fax: 609-860-2256                        | 04/21/2008     | No   | No                   | No                |
| Rohm & Haas<br>Steven Volger, Fax: 215-592-2550                       | 04/21/2008     | No   | No                   | No                |
| Solutia<br>Dan Jenkins, Fax: 314-674-1585                             | 04/21/2008     | No   | No                   | No                |
| Syngenta Crop Protection, Inc.<br>Dawn Stomp, Fax: 202-347-7772       | 04/21/2008     | No   | No                   | No                |
| Uniroyal Chemical Company<br>Lloyd Moon, Fax: 203-573-4430            | 04/21/2008     | No   | No                   | No                |
| United Color Manufacturing, Inc.<br>Tom Nowakowski, Fax: 215-860-8560 | 04/21/2008     | No   | No                   | No                |

**Technical comments:<sup>4</sup>**

The Commission staff is not able to provide a meaningful evaluation of this bill because most of the proposed headings do not contain a CAS number.<sup>5</sup> Moreover, the proposed article descriptions do not describe a particular chemical, and could be interpreted to include any number of chemicals. Without a CAS number or a clearer article description, it is difficult to determine the intended scope of the bill and to confirm whether the subject products are described and classified correctly. In addition, the Commission staff understands that Customs may have reclassified these products as inks rather than dyes. If so, the Commission staff suggests that the proponent provide new article descriptions that describe the products as inks, rather than as chemicals, using PMN numbers only if absolutely necessary. For all of these reasons, Customs may have difficulty administering these proposed duty suspensions as drafted.

In addition to the general concerns noted above, the Commission staff notes that, as indicated on page 1

<sup>4</sup> 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.

<sup>5</sup> The proponent has asserted that the inclusion of a CAS number would reveal confidential information about the firm's production processes. Where the CAS No. is not listed, the proponent has provided the EPA Pre-Manufacture Notice No. (PMN No.).

of this report, three of the proposed new headings are covered by existing duty suspensions. If the proponent does not provide new article descriptions that describe the products as inks, then the existing headings should be used to extend the duty suspensions for those three products, using the article descriptions on page 1 of this report in order to provide correctly spelled chemical names and HTS subheading reference numbers. Lastly, the Commission staff notes that the third proposed new heading covers the same product as the fifth proposed new heading in H.R. 4733. Only one should be enacted.

110TH CONGRESS  
1ST SESSION

# H. R. 4734

To suspend temporarily the duty on certain imaging colorants.

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IN THE HOUSE OF REPRESENTATIVES

DECEMBER 17, 2007

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

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## A BILL

To suspend temporarily the duty on certain imaging  
colorants.

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. CERTAIN IMAGING COLORANTS.**

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 headings:

|    |            |   |      |           |           |                         |
|----|------------|---|------|-----------|-----------|-------------------------|
| “  | 9902.01.00 | Substituted phenylene [[morpholinyl triazinediyl]bis phenylene azo]bis, Ammonium/sodium/hydrogen salt (PMN No. P-94-36) (provided for in subheading 3215.19.00) ..... | Free | No change | No change | On or before 12/31/2011 |
|    | 9902.01.00 | Copper phthalocyanine substituted with sulphonic acids and sulphonamides (PMN No. P94-580) (provided for in subheading 3215.19.00) ..                                 | Free | No change | No change | On or before 12/31/2011 |
|    | 9902.01.00 | Copper phthalocyanine substituted with sulphonic acids and alkyl sulphonamides, sodium salt (PMN No. P-99-105) (provided for in subheading 3215.19.00) .....          | Free | No change | No change | On or before 12/31/2011 |
|    | 9902.01.00 | [(Substituted naphthalenylazo) substituted naphthalenyl azo] carboxyphenylene, sodium salt (PMN No. P-90-391) (provided for in subheading 3215.11.00) .....           | Free | No change | No change | On or before 12/31/2011 |
|    | 9902.01.00 | Nickel [substituted naphthenyl azo] substituted triazole, sodium salt (PMN No. P-03-307) (provided for in subheading 3215.19.00)                                      | Free | No change | No change | On or before 12/31/2011 |
| ”. |            |   |      |           |           |                         |

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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