

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: August 25, 2008]²

Bill No. and sponsor: H.R. 5281 (Mr. Mike Ferguson of New Jersey).

Proponent name,³ location: BASF Corporation, Florham Park, NJ.

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)):

Hexanedioic acid, polymer with 1,2-ethanediol, 2-ethyl-2-(hydroxymethyl)-1,3-propanediol and 1,3-isobenzofurandione, 2-propenoate (CAS No. 77107-23-4) (provided for in subheading 3907.99.01).

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:

The subject product is an ultraviolet/electron beam curable polyester acrylate resin that is used in the formulation of coatings for flooring. The product is a unique oligomer which has a balance of properties, including excellent toughness, hardness, and flexibility. The product is imported from Germany.

Estimated effect on customs revenue:

HTS subheading: <u>3907.99.01</u>					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$4,000,000	\$4,500,000	\$5,000,000	\$5,500,000	\$6,000,000
Customs revenue loss	\$260,000	\$292,500	\$325,000	\$357,500	\$390,000

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)	
BASF Corporation (Proponent) Gregory A. Thies, gregory.thies@basf.com	05/14/2008	No	No	No
Archer Daniels Midland Company (ADM) Beth Holzman, 202-572-0580	05/14/2008	No	No	No
Bayer Corporation Karen Niedermeyer, 412-777-2058	05/14/2008	No	No	No
Dow Chemical Company Lisa Schroeter, 202-429-3400 Max Turnipseed, mctint@cox.net	05/14/2008	No	No	No
DuPont Helen McMahan, 302-992-2263 Elaine Olsen, 302-992-2263	05/14/2008	No	No	No
Efficient Global Trade, Incorporated Henry P. Stobenau, 215-628-4919	05/14/2008	No	No	No
King and Spaulding, LLP Joseph W. Dorn Esq., 202-626-5445	05/14/2008	No	No	No
LANXESS Corporation Jamie Schaeffer, 412-809-3666	05/14/2008	No	No	No
NatureWorks LLC Jim Hobbs, 952-742-0434	05/14/2008	No	No	No
Novamont SpA Max Turnipseed, mctint@cox.net	05/14/2008	No	No	No

Technical comments:⁴

None.

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
2D SESSION

H. R. 5281

To suspend temporarily the duty on Hexanedioic acid, polymer with 1,2-ethanediol, 2-ethyl-2-(hydroxymethyl)-1,3-propanediol and 1,3-isobenzofurandione, 2-propenoate.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 7, 2008

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

A BILL

To suspend temporarily the duty on Hexanedioic acid, polymer with 1,2-ethanediol, 2-ethyl-2-(hydroxymethyl)-1,3-propanediol and 1,3-isobenzofurandione, 2-propenoate.

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. HEXANEDIOIC ACID, POLYMER WITH 1,2-**
4 **ETHANEDIOL, 2-ETHYL-2-(HYDROXYMETHYL)-**
5 **1,3-PROPANEDIOL AND 1,3-**
6 **ISOBENZOFURANDIONE, 2-PROPENOATE.**

7 (a) IN GENERAL.—Subchapter II of chapter 99 of
8 the Harmonized Tariff Schedule of the United States is

1 amended by inserting in numerical sequence the following
 2 new heading:

“	9902.01.00	Hexanedioic acid, polymer with 1,2-ethanediol, 2-ethyl-2-(hydroxymethyl)-1,3-propanediol and 1,3-isobenzofurandione, 2-propenoate (CAS No. 77107-23-4) (provided for in sub-heading 3907.99.01)	Free	No change	No change	On or before 12/31/2011	”.
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3 (b) EFFECTIVE DATE.—The amendment made by
 4 subsection (a) applies to articles entered, or withdrawn
 5 from warehouse for consumption, on or after the 15th day
 6 after the date of the enactment of this Act.

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