

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: October 6, 2008]²

Bill No. and sponsor: H.R. 5391 (Mr. Henry Brown of South Carolina).

Proponent name,³ location: Rhodia Inc., Cranbury, N.J.

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)):

Sodium hypophosphite monohydrate (CAS No. 10039-56-2) (provided for in subheading 2835.10.00).

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 used as a reducing agent in nickle plating of metals and plastics. The product is imported from China.

Estimated effect on customs revenue:

HTS subheading: <u>2835.10.00</u>					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty					
Col. 1-General rate of duty	3.1%	3.1%	3.1%	3.1%	3.1%
Estimated value <i>dutiable</i> imports	\$8,000,0000	\$8,000,0000	\$8,000,000	\$8,000,0000	\$8,000,0000
Customs revenue loss 1/	\$0	\$248,000	\$248,000	\$248,000	\$248,000

1/ There is an existing duty suspension under HTS heading 9902.22.44 that expires on December 31, 2009. Therefore, there will be no Customs revenue loss related to this bill for 2009.

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

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

¹ Industry analyst preparing report: Jack Greenblatt (202-205-3353); 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) Rick Valentine, 202-661-3802.	06/03/2008	No	No	No
Alfa Aeser Don Ackerman, 978-521-6401	06/06/2008	No	No	No
Isle Chemicals Ed Rose, 716-773-8152	06/03/2008	No	No	No
Potash Corporation of Saskatchewan Kelly Davey, 306-933-8727	06/03/2008	No	No	No
Richman Chemicals Ed Richman, 215-628-2946	06/06/2008	No	No	No
Spectrum Chemical Renee Henderson, 877-656-5788	06/06/2008	No	No	No

Technical comments:⁴

The Commission staff notes that HTS heading 9902.22.44 provides a temporary duty suspension for the subject product that expires on December 31, 2009. The Commission staff recommends that HTS heading 9902.22.44 be used to extend the existing duty suspension by modifying the effective date.

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
2^D SESSION

H. R. 5391

To suspend temporarily the duty on sodium hypophosphite.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 12, 2008

Mr. BROWN of South Carolina introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To suspend temporarily the duty on sodium hypophosphite.

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. SODIUM HYPOPHOSPHITE.**

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:

“	9902.01.00	Sodium hypophosphite (CAS No. 10039-56-2) (provided for in subheading 2835.10.00)	Free	No change	No change	On or before 12/31/2011	”.
---	------------	---	------	-----------	-----------	-------------------------	----

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.

○