

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 108th Congress ¹**

[Date approved: March 18, 2004]²

Bill No. and sponsor: H.R. 1970 (Ms. Kaptur)

Proponent name, location: Perstorp Polyols, Inc.
Toledo, Ohio 43612

Other bills on product (108th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2006.

Retroactive effect: None.

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

Polymers of propanoic acid, 3-hydroxy-2-(hydroxymethyl)-2-methyl-, with 2,2-bis(hydroxymethyl)-1,3-propanediol and oxirane (CAS No. 326794-48-3) (provided for in subheading 3907.99.00)

Check one: Same as that in bill as introduced
 Different from that in bill as introduced (explain differences in Technical comments section)

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

The products subject to this bill are dendritic polyesters, highly branched polyester polymers. These patented polymers are used to make acrylates, which, in turn, are used to make ultraviolet-light-cured inks and coatings. The subject dendritic polyester polymers are sold under the trade names Boltron® H20, H30, and H40, which have varying molecular weights. These products are amorphous solids at room temperature and are sold as pellets. The products are shipped from the proponent's plants in Germany and Sweden.

¹ Industry analyst preparing report: Ray Cantrell (202-205-3362); Tariff Affairs contact: Dave Beck (202-205-2603).

² Access to an electronic copy of this memorandum is available at <http://www.usitc.gov/billrpts.htm> Access to a paper copy is available at the Commission's Law Library (202-205-3287) or at the Commission's Main Library (202-205-2630).

Estimated effect on customs revenue:

HTS subheading: 3907.99.00					
	2004	2005	2006	2007	2008
Col. 1-General rate of duty (AVE) <u>1/</u>	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$93,000	\$550,000	\$915,000	\$1,550,000	\$1,950,000
Customs revenue loss	\$6,045	\$35,750	\$59,475	\$100,750	\$126,750

1/ The AVE is the ad valorem equivalent of a specific or compound duty rate expressed as a percent, using the most recent import data available.

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

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

Name of firm/organization	Date contacted	US production of same or competitive product claimed?	Submission attached?	Opposition noted?
		(Yes/No)		
Perstorp Polyols, Inc. (proponent) Ms. Evelyn M. Suarez (202) 293-8116	1/21/04	No	Yes	No
Ms. Marcy Kaptur (sponsor) Ms. Jennifer Goedke (202) 225-4146	1/22/04	No	Yes	No
Bayer Corporation Mr. Seth Tomei (412) 777-4197	2/5/04	No	Yes	No
Avecia Limited (Crowell & Moring) Ms. Melissa Coyle (202) 624-2500	2/17/04	No	No	No
Solutia Inc. Mr. Glen Ruskin (202) 822-1690	2/20/04	No	No	No
Rohm & Haas Company Mr. Henry P. Stoebenau (215) 628-4919 (hstoeb@aol.com)	2/20/04	No	No	No

Technical comments:³ Staff suggests revision of the article description of this bill to include the comprehensive chemical nomenclature described by the subject Chemical Abstracts Registry Number (CAS No.), as annotated.

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.

108TH CONGRESS
1ST SESSION

H. R. 1970

To suspend temporarily the duty on Boltorn-1 (Bolt-1).

IN THE HOUSE OF REPRESENTATIVES

MAY 6, 2003

Ms. KAPTUR introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To suspend temporarily the duty on Boltorn-1 (Bolt-1).

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. BOLTORN-1 (BOLT-1).**

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:

“	9902.07.04	Dendritic Polyester (CAS No. 326794-48-3) (provided for in subheading 3907.99.00)	Free	Free	No change	On or before 12/31/2006	”.
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8 (b) EFFECTIVE DATE.—The amendment made by
9 subsection (a) applies with respect to goods entered, or

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

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