

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress¹**

[Date approved: October 12, 2005]²

Bill No. and sponsor: H.R. 1941 (Mr. Pete Sessions of Texas).

Proponent name, location: Celanese Corp., Dallas, TX.

Other bills on product (109th Congress only): None.

Nature of bill: Temporary duty reduction to December 31, 2008.

Retroactive effect: None.

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

The subject chemical (see below) is classified in HTS subheading 2918.90.43 and is eligible for a temporary duty suspension under HTS heading 9902.01.88.

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 chemical product, triethylene glycol bis[3-(3-tert-butyl-4-hydroxy-5-methylphenyl)propionate], is used as an antioxidant which enhances mechanical and color stability especially in outdoor applications. It is used in lawn sprinkler heads, automobile door handles, and drink cup holders. It is imported from Switzerland, Italy, Taiwan, Japan, and South Korea.

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://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm

Estimated effect on customs revenue:

HTS subheading: <u>2918.90.43</u>					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$20,705,000	\$20,705,000	\$20,705,000	\$20,705,000	\$20,705,000
Customs revenue loss <u>1/</u>	\$1,345,825	\$1,345,825	\$496,920	\$496,920	\$496,920

1/ The estimated revenue loss for 2005 and 2006 results from a temporary duty suspension that is provided for in HTS heading 9902.01.88, which expires on December 31, 2006. The estimated revenue loss for 2007-2009 is based on a temporary duty reduction from 6.5 percent ad valorem to 4.1 percent ad valorem, a reduction of 2.4 percentage points.

Source of estimated dutiable import data: 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)		
Celanese Corp.(proponent) Bob Carpenter 202-637-3469	8/29/2005	No	No	No
Dover Chemical Corp. Tom Slam 330-343-7711	8/29/2005	No	No	No
Cytec Industries Inc. James Young 973-357-3100	8/29/2005	No	No	No
CIBA Specialty Chemicals John Deming 202-857-5200	9/02/2005	No	No	No

Technical comments:¹ None.

¹ 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.

109TH CONGRESS
1ST SESSION

H. R. 1941

To reduce temporarily the duty on triethylene glycol bis[3-(3-tert-butyl-4-hydroxy-5-methylphenyl)propionate].

IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 2005

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

A BILL

To reduce temporarily the duty on triethylene glycol bis[3-(3-tert-butyl-4-hydroxy-5-methylphenyl)propionate].

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. TRIETHYLENE GLYCOL BIS[3-(3-TERT-BUTYL-4-**
4 **HYDROXY-5-METHYLPHENYL)PROPIONATE].**

5 (a) IN GENERAL.—Heading 9902.01.88 of the Har-
6 monized Tariff Schedule of the United States is amend-
7 ed—

8 (1) by striking “Free” and inserting “4.1%”;
9 and

1 (2) in the effective period column, by striking
2 “12/31/2006” and inserting “12/31/2008”.

3 (b) **EFFECTIVE DATE.**—The amendment made by
4 subsection (a) applies to goods entered, or withdrawn from
5 warehouse for consumption, on or after the 15th day after
6 the date of enactment of this Act.

○