MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress ¹

[Date approved: November 8, 2005]²

Bill No. and sponsor: H.R. 2442 (Mr. Tim Murphy of Pennsylvania).

Proponent name, location: LANXESS Corp., Pittsburgh, PA.

Other bills on product (109th Congress only): H.R. 2094.


Retroactive effect: None.

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

Thionyl chloride (CAS No. 7719–09–7) (provided for in subheading 2812.10.50).

Check one: X 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 product, imported from Germany and Switzerland, is a mild chlorinating agent used in chemical synthesis. It has been used in the manufacture of fungicides, pharmaceuticals, photographic chemicals, dehydrating agents, and battery electrolytes.

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:

<table>
<thead>
<tr>
<th>HTS subheading: 2812.10.50</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Col. 1-General rate of duty</td>
<td>3.7%</td>
<td>3.7%</td>
<td>3.7%</td>
<td>3.7%</td>
<td>3.7%</td>
</tr>
<tr>
<td>Estimated value of dutiable imports</td>
<td>$700,000</td>
<td>$700,000</td>
<td>$700,000</td>
<td>$700,000</td>
<td>$700,000</td>
</tr>
<tr>
<td>Customs revenue loss</td>
<td>$25,900</td>
<td>$25,900</td>
<td>$25,900</td>
<td>$25,900</td>
<td>$25,900</td>
</tr>
</tbody>
</table>

1/ Estimated revenue loss for 2005 and 2006 results from a current suspension of duty per heading 9902.28.01, which expires December 31, 2006.
Source of estimated dutiable import data: Industry estimates.

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

<table>
<thead>
<tr>
<th>Name of firm/organization</th>
<th>Date contacted</th>
<th>US production of same or competitive product claimed?</th>
<th>Submission attached?</th>
<th>Opposition noted?</th>
</tr>
</thead>
<tbody>
<tr>
<td>LANXESS Corp. (proponent) Steve Ziehm Tel: 202-872-8181</td>
<td>09/13/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Eastman Chemical Jorge San Pedro Tel: 703-524-7653</td>
<td>08/23/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Tyco Healthcare/Mallinckrodt Michelle Miller Tel: 508-261-8000X6650</td>
<td>09/07/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Dupont Corp. Ron Olden Tel: 202-728-3600</td>
<td>09/07/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Occidental Chemical Chris Settatter Tel: 202-857-3000</td>
<td>09/07/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Rhodia Corp. Rick Valentine Tel: 202-661-3802</td>
<td>09/06/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>
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.

Technical comments:

The Commission notes that the word “Free” in the special subcolumn of heading 9902.28.01 should be deleted.

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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.
H. R. 2442

To extend the temporary suspension of duty on Thionyl Chloride.

IN THE HOUSE OF REPRESENTATIVES

MAY 18, 2005

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

A BILL

To extend the temporary suspension of duty on Thionyl Chloride.

Be it enacted by the Senate and House of Representa-
tives of the United States of America in Congress assembled,

SECTION 1. THIONYL CHLORIDE.

(a) In General.—Heading 9902.28.01 of the Har-
monized Tariff Schedule of the United States (relating to Thionyl Chloride) is amended by striking “12/31/2006” and inserting “12/31/2009”.

(b) Effective Date.—The amendment made by subsection (a) applies to goods entered, or withdrawn from
warehouse for consumption, on or after the 15th day after the date of enactment of this Act.