MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109th Congress

[Date approved: November 8, 2005]

Bill No. and sponsor: H.R. 2446 (Mr. Tim Murphy of Pennsylvania).

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

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


Retroactive effect: None.

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

Phenyl isocyanate (CAS No. 103–71–9) (provided for in subheading 2929.10.80).

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:

This synthetic organic chemical is used as a raw material for a number of specialty chemicals, such as dyes, pesticides, and specialty epoxy resins for high performance applications, like specialty adhesives. This product is imported from Germany, and is also available from China.
Estimated effect on customs revenue:

<table>
<thead>
<tr>
<th>HTS subheading: 2929.10.80</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Col. 1-General rate of duty</td>
<td>6.5%</td>
<td>6.5%</td>
<td>6.5%</td>
<td>6.5%</td>
<td>6.5%</td>
</tr>
<tr>
<td>Estimated value dutiable imports</td>
<td>$1,500,000</td>
<td>$1,600,000</td>
<td>$1,600,000</td>
<td>$1,600,000</td>
<td>$1,600,000</td>
</tr>
<tr>
<td>Customs revenue loss 1/</td>
<td>$97,500</td>
<td>$104,000</td>
<td>$104,000</td>
<td>$104,000</td>
<td>$104,000</td>
</tr>
</tbody>
</table>

1/ Estimated revenue loss for 2005 and 2006 results from a current suspension of duty per heading 9902.02.14, which expires December 31, 2006.
Source of estimated dutiable import data: Industry estimates and Commission 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 Corporation (Proponent) Steve Ziehm Phone: 202-872-8181 e-mail: <a href="mailto:sziehm@ibgc.com">sziehm@ibgc.com</a></td>
<td>9/13/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Abbott Laboratories Elaine Leavenworth Fax: 202-783-6631</td>
<td>9/13/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Bayer Karen Niedermeyer Fax: 412-777-4740 Julie Von Egmund Fax: 202-737-8908</td>
<td>9/13/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Biddle Sawyer William Thonack Fax: 212-239-1089</td>
<td>9/13/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Ciba Specialty Chemicals John Deming Fax: 302-479-5152</td>
<td>9/13/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Clariant Corp. Andrew Zamoyski Fax: 401-823-2700</td>
<td>9/13/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>
Technical comments: None.

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.
To extend the temporary suspension of duty on Mondur P.

Be it enacted by the Senate and House of Representa-

tives of the United States of America in Congress assembled,

SECTION 1. MONDUR P.

(a) In General.—Heading 9902.02.14 of the Har-

monized Tariff Schedule of the United States (relating to

Mondur P) is amended by striking “12/31/2006” and in-

serting “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.