

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 111th Congress¹**

[Date approved: July 20, 2010]²

Bill No. and sponsor: S. 1885 (Mr. Robert P. Casey, Jr. of Pennsylvania).

Proponent name,³ location: Air Products and Chemicals, Allentown, PA.

Other bills on product (111th 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)):

Pressure distillation columns, designed to liquefy air and its component gases, the foregoing containing brazed aluminum plate-fin heat exchangers (provided for in subheading 8419.60.10).

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:

Pressure distillation columns are an integral part of air separation plants. Pressure distillation columns convert atmospheric air into various gases, including nitrogen, oxygen, argon, and other gases. These gases are used in a wide range of industries for aerospace products, food and beverages, healthcare, semiconductors, chemicals, refining ores, gases, primary metals, and metal fabrications. Pressure distillation columns are specialty products made of a series of stainless steel stacked plates/trays in the shape of a tall metal cylinder. The subject columns are internally fitted with perforated horizontal plates, and each contains a brazed aluminum plate-fin heat exchanger, reflux drum, reboiler, and condenser. The principal import source of pressure distillation columns is Canada, which shipped approximately \$9.4 billion of the \$16.0 billion in total dutiable imports under HTS subheading 8419.60.10 in 2008.⁴

¹ Industry analyst preparing report: Ruben Mata (202-205-3403); Tariff Affairs contact: Jan Summers (202-205-2605).

² Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff_affairs/congress_reports/.

³ The sponsor/proponent did not identify any additional beneficiaries of this bill.

⁴ Goods produced in Canada are dutiable if they do not meet requirements of the North American Free Trade Agreement (NAFTA), as reflected in HTS general note 12, or if importers do not claim NAFTA treatment.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 8419.60.10:

	2010	2011	2012	2013	2014
Col. 1-General rate of duty	4.2%	4.2%	4.2%	4.2%	4.2%
Estimated value <i>dutiable</i> imports ^a	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000
Customs revenue loss ^{b c d}	\$420,000	\$420,000	\$420,000	\$420,000	\$420,000

a/ Dutiable import estimates were provided by industry sources,

b/ At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ.

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

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
Air Products and Chemicals (Proponent) Steven Belaus, 610-481 4979	11/24/2009	No	No	No
AirGas, Inc. John Batt, 610-687 5253	11/24/2009	No	No	No
American Air Liquide Corp. Keven Feeney, 713-624-8800	11/24/2009	No	No	No
Linde AG, Selas Fluid Division Jason Faulkner, 610-832-8774	11/24/2009	No	No	No
Praxair, Inc. Bill Murphy, 716-879-4736	11/24/2009	No	No	No

Technical comments:⁵

None.

⁵ 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.

111TH CONGRESS
1ST SESSION

S. 1885

To suspend temporarily the duty on certain air pressure distillation columns.

IN THE SENATE OF THE UNITED STATES

OCTOBER 26, 2009

Mr. CASEY introduced the following bill; which was read twice and referred
to the Committee on Finance

A BILL

To suspend temporarily the duty on certain air pressure
distillation columns.

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. CERTAIN AIR PRESSURE DISTILLATION COL-**
4 **UMNS.**

5 (a) IN GENERAL.—Subchapter II of chapter 99 of
6 the Harmonized Tariff Schedule of the United States is
7 amended by inserting in numerical sequence the following
8 new heading:

“	9902.01.00	Pressure distillation columns, designed to liquefy air and its component gases, the foregoing containing brazed aluminum plate-fin heat exchangers (provided for in subheading 8419.60.10)	Free	No change	No change	On or before 12/31/2011	”.
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1 (b) **EFFECTIVE DATE.**—The amendment made by
2 subsection (a) applies to goods entered, or withdrawn from
3 warehouse for consumption, on or after the 15th day after
4 the date of the enactment of this Act.

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