

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: April 29, 2010]²

Bill No. and sponsor: S. 2119 (Mr. Jim Bunning of Kentucky).

Proponent name,³ location: Daicel Safety Technologies America, Inc., Beaver Dam, KY.

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)):

Guanidine nitrate (CAS No. 506-93-4) (provided for in subheading 2925.29.90).

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 subject product is a white crystalline water-soluble solid. Once ignited, it burns with increasing vigor as the fire progresses. Guanidine nitrate is an intermediate that is used in the production of nitroguanidine. It is also commonly used in rocket propellants because it generates a large amount of heat when burned. The product may be imported from Germany, Japan, France, or China.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 2925.29.90:

	2010	2011	2012	2013	2014
Col. 1-General rate of duty					
Col. 1-General rate of duty	3.7%	3.7%	3.7%	3.7%	3.7%
Estimated value <i>dutiable</i> imports ^a	\$11,361,200	\$11,361,200	\$11,361,200	\$11,361,200	\$11,361,200
Customs revenue loss ^b	\$420,364	\$420,364	\$420,364	\$420,364	\$420,364

^{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.

¹ Industry analyst preparing report: Robert Randall (202-205-3366); Tariff Affairs contact: David G. Michels (202-205-3440).

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.

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?
		(Yes/No)		
Daicel Safety Technologies America, Inc. (Proponent) Michael J. Gross, 270-274-2600	12/7/2009	No	No	No
BASF Corporation Greg Thies, Fax: 202-558-5101	12/7/2009	No	No	No
Dow Chemical Lisa Schroeter, Fax: 202-429-3467	12/7/2009	No	No	No
Dupont Elaine M. Olsen, Elaine.M.Olsen@USA.dupont.com	12/7/2009	No	No	No
Eastman Chemical Company Gregg Riddle, Fax: 212-835-1621	12/7/2009	No	No	No
Emerald Performance Chemicals Tom Dirmyer, Fax: 330-315-6480	12/7/2009	No	No	No
Galaxie Chemical Corp. Michael Santoro, Jr., Fax: 973-790-7104	12/7/2009	No	No	No
Honeywell Int'l Art Simonetti, Fax: 202-662-2675	12/7/2009	No	No	No
Huntsman Corp. John Deming, Fax: 302-479-5499	12/7/2009	No	No	No
LANXESS Corporation Steve Ziehm, sziehm@ibgc.com	12/7/2009	No	No	No
Mason Color Works, Inc. Ann Mason Herdman, Fax: 330-385-4488	12/7/2009	No	No	No
Monsanto Corp. Grant Erdel, Fax: 202-789-1867	12/7/2009	No	No	No
PMC Inc. Gordon McCullough, Fax: 513-482-7884	12/7/2009	No	No	No
Rhodia Corp. Dominick Cangiano, Fax: 609-860-2256	12/7/2009	No	No	No
Solutia Inc. Kassie D. Wooten, Fax: 314-674-1585	12/7/2009	No	No	No
Sun Chemical Corp. Steve Schmidt, Fax: 513-681-4960	12/7/2009	No	No	No

Technical comments:⁴ None.

⁴ 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. 2119

To suspend temporarily the duty on guanidine nitrate.

IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 2009

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

A BILL

To suspend temporarily the duty on guanidine nitrate.

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. GUANIDINE NITRATE.**

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:

“	9902.01.00	Guanidine Nitrate (CAS No. 506-93-4) (provided for in subheading 2925.29.90)	Free	No change	No change	On or before 12/31/2011	”.
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8 (b) EFFECTIVE DATE.—The amendment made by
9 subsection (a) applies to goods entered, or withdrawn from

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

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