

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 111<sup>th</sup> Congress<sup>1</sup>**

[Date approved: May 3, 2010]<sup>2</sup>

**Bill No. and sponsor:** S. 2289 (Mr. Sherrod Brown of Ohio et al.).

**Proponent name,<sup>3</sup> location:** Sun Chemical Corp., Cincinnati, OH.

**Other bills on product (111<sup>th</sup> Congress only):** None.

**Nature of bill:** Extension of temporary duty suspension through December 31, 2011.<sup>4</sup>

**Retroactive effect:** None.

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

Basic Red 1:1 (CAS No. 3068-39-1) (provided for in subheading 3204.13.80).

**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 an intermediate that is used in the manufacture of red pigment 81:3, which is primarily used in printing ink applications. The product is imported from India<sup>5</sup> and China.

**Estimated effect on customs revenue for the subject product classifiable in HTS subheading 3204.13.80:**

	2010	2011	2012	2013	2014
<del>Col. 1-General rate of duty</del>					
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports <sup>a</sup>	\$5,700,000	\$5,700,000	\$5,700,000	\$5,700,000	\$5,700,000
Customs revenue loss <sup>b</sup>	\$370,500	\$370,500	\$370,500	\$370,500	\$370,500

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.

<sup>1</sup> Industry analyst preparing report: Stephen Wanser (202-205-3363); Tariff Affairs contact: David Michels (202-205-3440).

<sup>2</sup> Access to an electronic copy of this memorandum is available at [http://www.usitc.gov/tariff\\_affairs/congress\\_reports/](http://www.usitc.gov/tariff_affairs/congress_reports/).

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

<sup>4</sup> Heading 9902.22.23 expired on December 31, 2009.

<sup>5</sup> Although India is a designated beneficiary of the Generalized System of Preferences (GSP), imports of the subject product are eligible for duty-free treatment under the GSP program only if they are imported from countries that are designated as least-developed beneficiary developing countries, and India has not been designated as a least-developed beneficiary developing country.

**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)		
Sun Chemical Corp. (Proponent) Ed Faulkner, 513-681-5950 <a href="mailto:ed.faulkner@sunchemical.com">ed.faulkner@sunchemical.com</a>	11/30/2009	No	No	No
Apollo Color, Inc. Dave Klebine, 815-722-3965 Fax: 815-741-2599	11/30/2009	No	No	No
BASF Corp. Greg Thies, 202-558-5101 <a href="mailto:gregory.thies@basf.com">gregory.thies@basf.com</a>	11/30/2009	No	No	No
CDR Pigments & Dispersions Craig Foster, 270-737-0318 <a href="mailto:craig.foster@pigments.flintgrp.com">craig.foster@pigments.flintgrp.com</a>	11/30/2009	No	No	No
Ciba Specialty Chemical Corp. Michelle Forte, Fax 914-785-4831	11/30/2009	No	No	No
Color Pigments Man. Assoc. Larry Robinson, 703-684-4044 <a href="mailto:cpma@cpma.com">cpma@cpma.com</a>	11/30/2009	No	No	No
E.C. Pigments Andrew Blum, Fax 508-676-9011	11/30/2009	No	No	No
Fanwood Chemical Co. Jim DeLisi, 908-322-8440 <a href="mailto:JdeLisi@Fanwoodchemical.com">JdeLisi@Fanwoodchemical.com</a>	11/30/2009	No	No	No
Mason Color Works, Inc. Carol Mason Cronin, 330-385-4400 <a href="mailto:ccronin@masoncolor.com">ccronin@masoncolor.com</a>	11/30/2009	No	No	No
Nation Ford Chemical Co. John Dickson, Fax 803-548-2683 <a href="mailto:dicksonj@nationfordchem.com">dicksonj@nationfordchem.com</a>	11/30/2009	No	No	No

**Technical comments:**<sup>6</sup> None.

<sup>6</sup> 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. 2289

To extend temporarily the suspension of duty on Basic Red 1:1.

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IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 2009

Mr. BROWN (for himself and Mr. VOINOVICH) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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## A BILL

To extend temporarily the suspension of duty on Basic Red  
1:1.

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. BASIC RED 1:1.**

4 (a) **IN GENERAL.**—Heading 9902.22.23 of the Har-  
5 monized Tariff Schedule of the United States (relating to  
6 Basic Red 1:1) is amended by striking the date in the ef-  
7 fective column period and inserting “12/31/2011”.

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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