

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: June 22, 2010]²

Bill No. and sponsor: S. 2463 (Mr. John Cornyn of Texas).

Proponent name,³ location: Huntsman Corporation, Austin, TX.

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)):

Alkanes C10-C14 (CAS No. 93924-07-3) (ASTM D-156) (provided for in subheading 2710.19.90).

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 an intermediate chemical that is used in the production of linear alkyl benzene, which, in turn, is used as an intermediate chemical in the production of detergents. It is essentially an alkane distillation fraction produced in petroleum refineries from crude petroleum.

The leading source of U.S. imports of this product is Canada, which accounted for more than 80 percent of total U.S. imports prior to 2009.⁴ In 2009, U.S. imports from Canada decreased as other suppliers, including Saudi Arabia and South Korea, began exporting to the United States.

¹ Industry analyst preparing report: Cynthia B. Foreso (202-205-3348); Tariff Affairs contact: David 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 proponent did not identify any additional beneficiaries of this bill.

⁴ Imports of the subject product from Canada are eligible for duty-free treatment under the North American Free Trade Agreement.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 2710.19.90:

	2010	2011	2012	2013	2014
Col. 1-General rate of duty	7%	7%	7%	7%	7%
Estimated value <i>dutiable</i> imports ^a	\$42,000,000	\$48,000,000	\$72,000,000	\$90,000,000	\$90,000,000
Customs revenue loss ^b	\$2,940,000	\$3,360,000	\$5,040,000	\$6,300,000	\$6,300,000

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?
			(Yes/No)	
Huntsman Corporation (Proponent) Mike Meroney, 512-589-2531 mike@meroneypublicaffairs.com	02/23/2010	No	No	No
ExxonMobil Chemical Donald Humphreys, 281-870-6050	02/16/2010	No	No	No
Petresa Fernando Gil, Fax: 34-91-337-6819	02/16/2010	No	No	No
Sasol Nancy Tower, nancy.tower@us.sasol.com	02/16/2010	No	No	No

Technical comments:⁵

The Commission staff suggests that the article description on page 1 of this report be used in the proposed new heading in order to provide a more concise chemical description.

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. 2463

To suspend temporarily the duty on Normal Paraffin M.

IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 2009

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

A BILL

To suspend temporarily the duty on Normal Paraffin M.

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. NORMAL PARAFFIN M.**

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	Normal Paraffin M (Alkanes C10–C14) (CAS No. 93924–07–3) (ASTM D–156) (provided for in subheading 2710.19.90)	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

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

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