UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109th Congress ¹

[Date approved: November 10, 2005]²

Bill No. and sponsor: H.R. 2537 (Mr. Rodney P. Frelinghuysen of New Jersey).

Proponent name, location: Honeywell International Inc., Morris Township, NJ.

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

Nature of bill: Extension of temporary duty suspension through December 31, 2010.

Retroactive effect: None.

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

Organic luminescent pigments and dyes for security applications excluding daylight fluorescent pigments and dyes (provided for in subheading 3204.90.00).

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:

The subject products are luminescent pigments and dyes that are incorporated in products that require security and anti-counterfeiting technology. It is imported from Germany.

Estimated effect on customs revenue:

HTS subheading: <u>3204.90.00</u>									
$\bigg \backslash \bigg \backslash$	2005	2006	2007	2008	2009				
Col. 1-General rate of duty	5.9%	5.9%	5.9%	5.9%	5.9%				
Estimated value <i>dutiable</i> imports	\$700,000	\$700,000	\$700,000	\$700,000	\$700,000				
Customs revenue loss 1/	\$41,300	\$41,300	\$41,300	\$41,300	\$41,300				

 $[\]underline{1}$ / Estimated revenue loss for 2005 and 2006 results from a current suspension of duty per heading 9902.32.07, which expires on December 31, 2006.

Source of estimated dutiable import data: Industry estimates.

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

¹ Industry analyst preparing report: Larry Johnson (202-205-3351); Tariff Affairs contact: David Michels (202-205-3440).

² Access to an electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

Name of firm/organization	Date contacted	US production of same or competitive product claimed?	Submission attached?	Opposition noted?
			(Yes/No)	
Honeywell International Inc. (Proponent) Art Simonetti, 202-662-2671	9/09/2005	No	No	No
Acros Organics USA/B.V.B.A. Ms. Ann Moorkens, 800-766-7000	9/12/2005	No	No	No
Arkema Inc. Charles Kitchen, 703-527-2099	9/12/2005	No	No	No
BASF Corporation Mr. Greg Thies, 202-558-5100	9/12/2005	No	No	No
Bayer Corporation Ms. Karen L. Niedermeyer, 412-777-2058	9/09/2005	No	No	No
Ciba Specialty Chemicals John Deming, Fax: 302-479-5152	9/12/2005	No	No	No
Dow Chemical Company Ms. Lisa Schroeter, 202-429-3400	9/09/2005	No	No	No
DuPont Ms. Elaine M. Olsen, 302-992-2263 Ms. Sharee C. Lawler, 202-728-3664	9/09/2005	No	No	No
EMS-Chemie North America, Inc. Mr. Urs Koeppel, 803-481-6190 Mr. Guiedo Hobi, 803-481-6141	9/12/2005	No	No	No
LANXESS Corporation Mr. Seth Tomei, 412-809-3664	9/09/2005	No	No	No
Solutia, Inc. Mr. Bob Hurley, 202-289-9800	9/12/2005	No	No	No
Yick-Vic Chems & Pharms. (HK) Ltd. Mr. Victor Leung, 852-2541-2772	9/12/2005	No	No	No

Technical comments:³ 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 suspension of duty on certain organic pigments and dyes.

IN THE HOUSE OF REPRESENTATIVES

May 23, 2005

Mr. Frelinghuysen introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To extend the suspension of duty on certain organic pigments and dyes.

- 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 ORGANIC PIGMENTS AND DYES.
- 4 (a) In General.—Heading 9902.32.07 of the Har-
- 5 monized Tariff Schedule of the United States (relating to
- 6 certain organic pigments and dyes) is amended by striking
- 7 "12/31/2006" and inserting "12/31/2010".
- 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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