UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109th Congress ¹

[Date approved: September 20, 2005]²

| Bill No. and sponsor: H.R. 21 | 155 (Mr. Henry E. Brown of South Carolina) |
|--------------------------------------|---|
| Proponent name, location: | Symrise, Inc. Goose Creek, SC |
| Other bills on product (109th | Congress only): None. |
| Nature of bill: Temporary du | ty suspension through December 31, 2008. |
| Retroactive effect: None. | |
| Suggested article description | (s) for enactment (including appropriate HTS subheading(s)): |
| 1,2-Octanediol (CAS No. 1117 | 7-86-8) (provided for in subheading 2905.39.90). |
| | ame as that in bill as introduced ifferent from that in bill as introduced (see Technical comments section) |
| Product information, including | ng uses/applications and source(s) of imports: |
| The subject product is an organ | nic chemical used as an ingredient in skin care products, coatings |

The subject compound is imported from Germany. There is no known U.S. production.

adhesives, and inks.

Industry analyst preparing report: Jeff Clark (202-205-3318); 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

Estimated effect on customs revenue:

| HTS subheading: <u>2905.39.90</u> | | | | | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|--|--|--|--|
| | 2005 | 2006 | 2007 | 2008 | 2009 | | | | |
| Col. 1-General rate of duty | 5.5% | 5.5% | 5.5% | 5.5% | 5.5% | | | | |
| Estimated value <i>dutiable</i> imports | \$150,000 | \$150,000 | \$150,000 | \$150,000 | \$150,000 | | | | |
| Customs revenue loss | \$8,250 | \$8,250 | \$8,250 | \$8,250 | \$8,250 | | | | |

Source of estimated dutiable import data: Industry estimates.

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

| Name of firm/organization | Date contacted | US production of same or competitive product claimed? | Submission attached? | Opposition noted? | | |
|--|----------------|---|----------------------|-------------------|--|--|
| | | (Yes/No) | | | | |
| Symrise (proponent) Jed D'Ercole, 202-835-0740 | 08/01/2005 | No | No | No | | |
| Bayer Corporation Karen Niedermeyer, 412-777-2058 | 08/01/2005 | No | No | No | | |
| Clariant Corporation Andrew Zamoyski, 401-823-2230 | 08/01/2005 | No | No | No | | |
| Eli Lilly Kathy Karol, 202-393-7950 | 08/01/2005 | No | No | No | | |
| International Flavors & Fragrances Fom Kinlin, 732-264-4500 | 08/01/2005 | No | No | No | | |
| Procter & Gamble Jim McCarthy, 202-393-4606 | 08/01/2005 | No | No | No | | |

Technical comments:³

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

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.

H. R. 2155

To suspend temporarily the duty on 1,2 Octanediol.

IN THE HOUSE OF REPRESENTATIVES

May 5, 2005

Mr. Brown of South Carolina introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To suspend temporarily the duty on 1,2 Octanediol.

| 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. 1,2 OCTANEDIOL.
- 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:

| " | 9902.34.32 | 1,2 Octanediol (CAS No. 1117–86–8) (provided for in subheading 2905.39.90) | Free | No change | No change | On or before 12/31/2008 | ,, |
|---|------------|--|------|-----------|-----------|-------------------------|----|
|---|------------|--|------|-----------|-----------|-------------------------|----|

- 7 (b) Effective Date.—The amendment made by
- 8 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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