

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress¹**

[Date approved: November 10, 2005]²

Bill No. and sponsor: H.R. 2495 (Mr. Robin Hayes of North Carolina).

Proponent name, location: Clariant Corporation, Charlotte, NC.

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

Nature of bill: Temporary duty suspension through December 31, 2008.

Retroactive effect: None.

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

Chloroacetic acid, sodium salt (CAS No. 3926-62-3) (provided for in subheading 2915.40.50).

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:

Chloroacetic acid, sodium salt is a synthetic organic salt used as an intermediate in the production of betaines and carboxymethylcellulose, both of which are ingredients in cosmetics. Carboxymethylcellulose is also used in food, paper products and pharmaceuticals. Chloroacetic acid, sodium salt is imported from Germany.

Estimated effect on customs revenue:

HTS subheading: 2915.40.50					
	2005	2006	2007	2008	2009
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	\$11,000,000	\$11,000,000	\$11,000,000	\$11,000,000	\$11,000,000
Customs revenue loss	\$407,000	\$407,000	\$407,000	\$407,000	\$407,000

Source of estimated dutiable import data: Commission estimates.

¹ Industry analyst preparing report: Philip Stone (202-205-3424); 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.

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)		
Clariant Corporation (Proponent) Andrew Zamoyski, 401-823-2230	8/26/2005	No	No	No
Aldrich Chemical Company Cynthia Hening, Fax: 414-287-4059	9/09/2005	No	No	No
Firmenich Inc. Laura Heybur, Fax: 609-452-8063	9/09/2005	No	No	No
Givaudian-Roure Corporation Diane Koenig, Fax: 973-448-6532	9/09/2005	No	No	No
International Flavors and Fragrances Tom Kinlin, Fax: 732-335-2244	9/09/2005	No	No	No
Koch Industries Ron Osman, Fax: 361-242-8353	9/09/2005	No	No	No
Noveon Tom Dirmyer, Fax: 216-447-5720	9/09/2005	No	No	No
Penta Manufacturing Co. George Volpe, Fax: 973-740-1839	9/09/2005	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 use conventional capitalization 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.

109TH CONGRESS
1ST SESSION

H. R. 2495

To suspend temporarily the duty on Chloroacetic Acid, Sodium Salt.

IN THE HOUSE OF REPRESENTATIVES

MAY 19, 2005

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

A BILL

To suspend temporarily the duty on Chloroacetic Acid,
Sodium Salt.

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. CHLOROACETIC ACID, SODIUM SALT.**

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:

“	9902.05.70	Chloroacetic Acid, Sodium Salt (CAS No. 3926-62-3) (provided for in subheading 2915.40.50)	Free	No change	No change	On or before 12/31/2008	”.
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1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) applies to goods entered, or withdrawn from
3 warehouse for consumption, on or after the 15th day after
4 the date of enactment of this Act.

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