

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: September 12, 2005]²

Bill No. and sponsor: H.R. 2095 (Mr. William L. Jenkins of Tennessee).

Proponent name, location: Eastman Chemical Company
Arlington, VA 22209

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)):

1-Fluoro-2-nitrobenzene (CAS No. 1493-27-2) (provided for in subheading 2904.90.30).

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 synthetic organic chemical, 1-fluoro-2-nitrobenzene, is a yellow liquid with an almond odor. It is used as a raw material in the production of an intermediate chemical, which is then used to produce a pharmaceutical. U.S. imports of this chemical are primarily from France.

¹ Industry analyst preparing report: Ed Cappuccilli (202-205-3368); 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>2904.90.30</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)		
Eastman Chemical Co. (Proponent) Jorge San Pedro Fax: 703-524-7707	07/20/2005	No	No	No
Eli Lilly Kathy Karol Fax: 202-624-9460	07/20/2005	No	No	No
Endo Labs Camille Ali Jackson Fax: 610-558-9685	07/20/2005	No	No	No
Novartis Tracy Haller Fax: 202-628-4763	07/20/2005	No	No	No
Pfizer Katherine Bennet Fax: 202-347-2044	07/20/2005	No	No	No
Rhodia, Inc. Dominick Cangiana Fax: 609-860-1841	07/20/2005	No	No	No

Technical comments:³

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.

The Commission notes that HTS heading 9902.29.04 provides a temporary duty suspension (expired) for this chemical. The Commission suggests that the new duty suspension be enacted using this heading number. This could be accomplished by deleting heading 9902.29.04, and by using that heading number for the new duty suspension in this bill.⁴ The Commission suggests that the article description on page 1 of this report be used in order to provide an initial capital letter and to correct spacing in the chemical name.

⁴ Specifically, line 6 of the bill should be amended to read “. . . amended by striking heading 9902.29.04 and inserting in lieu thereof the following. . . .”. In addition, the heading number used in the bill, 9902.06.21, should be deleted and replaced with 9902.29.04.

109TH CONGRESS
1ST SESSION

H. R. 2095

To suspend temporarily the duty on 1-fluoro-2-nitro benzene.

IN THE HOUSE OF REPRESENTATIVES

MAY 4, 2005

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

A BILL

To suspend temporarily the duty on 1-fluoro-2-nitro benzene.

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-FLUORO-2-NITRO BENZENE.**

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:

“	9902.06.21	1-fluoro-2-nitro benzene (CAS No. 1493–27–2) (pro- vided for in subheading 2904.90.30)	Free	No change	No change	On or before 12/31/2008	”.
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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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