

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 111<sup>th</sup> Congress<sup>1</sup>**

[Date approved: June 4, 2010]<sup>2</sup>

**Bill No. and sponsor:** S. 2208 (Mr. Arlen Specter of Pennsylvania et al.).

**Proponent name,<sup>3</sup> location:** LANXESS Corporation, Pittsburgh, PA.

**Other bills on product (111<sup>th</sup> Congress only):** None.

**Nature of bill:** Temporary duty reduction through December 31, 2011.

**Retroactive effect:** None.

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

*p*-Dichlorobenzene (CAS No. 106-46-7) (provided for in subheading 2903.61.30).

**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 subject product is used in the manufacture of polyphenylene sulfine resins, mothballs, and urinal blocks. The top sources of imports in 2009 were Germany, China, Japan, Italy, and India.<sup>4</sup>

**Estimated effect on customs revenue for the subject product classifiable in HTS subheading 2903.61.30:**

	2010	2011	2012	2013	2014
<del>Col. 1-General rate of duty</del>					
Col. 1-General rate of duty	5.5%	5.5%	5.5%	5.5%	5.5%
Estimated value <i>dutiable</i> imports <sup>a</sup>	\$13,000,000	\$14,000,000	\$15,000,000	\$16,000,000	\$16,000,000
Customs revenue loss <sup>b,c</sup>	\$338,000	\$364,000	\$390,000	\$416,000	\$416,000

a/ Dutiable import estimates were based on official U.S. Government statistics and Commission estimates.

b/ At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ.

c/ The estimated customs revenue loss is based on a temporary reduction of the general rate of duty from 5.5 percent ad valorem to 2.9 percent ad valorem, a reduction of 2.6 percentage points.

<sup>1</sup> Industry analyst preparing report: Elizabeth R. Nesbitt (202-205-3355); Tariff Affairs contact: David Michels (202-205-3440).

<sup>2</sup> Access to an electronic copy of this memorandum is available at [http://www.usitc.gov/tariff\\_affairs/congress\\_reports/](http://www.usitc.gov/tariff_affairs/congress_reports/).

<sup>3</sup> The sponsor/proponent did not identify any additional beneficiaries of this bill. USITC staff identified one additional beneficiary of this bill that was not identified by the sponsor/proponent, and that beneficiary submitted a written representation that it would benefit from this bill.

<sup>4</sup> Imports of the subject product from India are eligible for duty-free treatment under the Generalized System of Preferences.

**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)	
LANXESS Corp. (Proponent) Jamie Schaeffer, <a href="mailto:jamie.schaeffer@lanxess.com">jamie.schaeffer@lanxess.com</a>	01/21/2010	No	No	No
3M Company Megan Ivory Carr, <a href="mailto:mmivory@mmm.com">mmivory@mmm.com</a>	01/21/2010	No	No	No
BASF Corporation Gregory A. Thies, <a href="mailto:gregory.thies@basf.com">gregory.thies@basf.com</a>	01/21/2010	No	No	No
Bayer Corporation K. Niedermeyer, <a href="mailto:karen.niedermeyer.b@bayer.com">karen.niedermeyer.b@bayer.com</a>	01/21/2010	No	No	No
Chemtura Corp. Lloyd N. Moon, <a href="mailto:lloyd.moon@chemtura.com">lloyd.moon@chemtura.com</a> Matt Mattingley, <a href="mailto:matt@mattingleygroup.com">matt@mattingleygroup.com</a>	01/21/2010	No	No	No
Ciba Specialty Chemicals Michelle Forte, <a href="mailto:Michelle.Forte@cibasc.com">Michelle.Forte@cibasc.com</a>	01/21/2010	No	No	No
Daikin America Inc. Gary Stanitis, <a href="mailto:gstanitis@daikin-america.com">gstanitis@daikin-america.com</a>	01/21/2010	No	No	No
Dow Chemical Co. Lisa Schroeter, <a href="mailto:LMSchroeter@dow.com">LMSchroeter@dow.com</a> Max Turnipseed, <a href="mailto:mctint@att.net">mctint@att.net</a>	01/21/2010	No	No	No
Dupont Brian Curtis, <a href="mailto:Brian.Curtis@usa.dupont.com">Brian.Curtis@usa.dupont.com</a>	01/21/2010	No	No	No
Eastman Chemical Co. Brent Perry, <a href="mailto:bperry@eastman.com">bperry@eastman.com</a>	01/21/2010	No	No	No
Evonik Industries AG Russell Mait, <a href="mailto:russell.mait@evonik.com">russell.mait@evonik.com</a>	01/21/2010	No	No	No
Fanwood Chemical Inc. V. M. (Jim) DeLisi, <a href="mailto:JdeLisi@fanwoodchemical.com">JdeLisi@fanwoodchemical.com</a>	01/21/2010	No	No	No
GFS Chemicals John Long, <a href="mailto:JohnL@gfschemicals.com">JohnL@gfschemicals.com</a>	01/21/2010	No	No	No
Monsanto Company Michael Parrish, <a href="mailto:Michael.Parrish@monsanto.com">Michael.Parrish@monsanto.com</a>	01/21/2010	No	No	No
Solutia Inc. Bob Hurley, <a href="mailto:Rhurley@TheAccordGroup.com">Rhurley@TheAccordGroup.com</a> Kassie Wooton, <a href="mailto:KDWoot@solutia.com">KDWoot@solutia.com</a>	01/21/2010	No	No	No
Twin Lake Chemical, Inc. James D. Hodan, <a href="mailto:twinlakechemical@aol.com">twinlakechemical@aol.com</a>	01/21/2010	Yes	Yes	Yes

**Technical comments:<sup>5</sup>**

The Commission staff notes that the proposed heading should be amended by deleting “2.90%” and inserting “2.9%”. Also, the initial letter ‘p’ should be in italics as shown on page 1 of this report.

<sup>5</sup> 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. 2208

To suspend temporarily the duty on p-Dichlorobenzene.

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IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 2009

Mr. SPECTER (for himself and Mr. CASEY) introduced the following bill; which  
was read twice and referred to the Committee on Finance

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## A BILL

To suspend temporarily the duty on p-Dichlorobenzene.

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. P-DICHLOROBENZENE.**

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	p-Dichlorobenzene (CAS No. 106–46–7) (provided for in subheading 2903.61.30) .....	2.90%	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

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

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