



MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress

Date approved

I. Background

Bill number:

Sponsor name:

Sponsor state:

Interested entity:

Name

City

State

Other bills on product (112th Congress only):

Nature of bill:

Expiration date:

Current or previous chapter 99 heading:

Retroactive date:

CAS number (if applicable):

Industry analyst:

Telephone:

Tariff Affairs contact:

Telephone:

Note:

1. Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff_affairs/congress_reports/.
2. In regard to the country(ies) of origin listed in section III, this report focuses on dutiable imports and does not take into account any tariff preference programs or special rates of duty.

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

Mixtures of 5-[(2-Cyano-4-nitrophenyl)azo]-2-[[2-(2-hydroxyethoxy)ethyl]amino]-4-methyl-6-(phenylamino)-3-pyridine carbonitrile (CAS No. 149988-44-3) and 5-[(2-cyano-4-nitrophenyl)diazonyl]-6-[[2-(2-hydroxyethoxy)ethyl]amino]-4-methyl-2-(phenylamino)-3-pyridine carbonitrile (CAS No. 137428-29-6) (provided for in subheading 3204.11.35)

Description above compared with bill as introduced:

- Same
 Different (see Technical Comments section)

III. Other product information, including uses/applications and source(s) of imports

The subject synthetic organic chemical is a disperse red dye used in the textile industry. It is imported from Japan. The interested entity has stated that it holds a U.S. patent on the product, limiting U.S. imports to itself or its licensees.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	3204.11.35				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty (%)	6.5	6.5	6.5	6.5	6.5
Estimated value of <i>dutiable</i> imports (\$)	300,000	300,000	300,000	300,000	300,000
Customs revenue loss (\$)	19,500	19,500	19,500	19,500	19,500

Note: Customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ. Regarding the HTS subheading listed in the article description of the bill, the Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only U.S. Customs and Border Protection is authorized to issue a binding ruling on this matter. The Commission believes that Customs should be consulted prior to enactment of the bill.

Dutiable imports were based on (more than one may apply):

- Official statistics of the U.S. Department of Commerce
 Provided by industry sources
 Industry information
 Commission estimates

Duty reduction notes:

- This bill is not a duty reduction
 This bill is a temporary duty reduction. Rates are shown below.

Col.1-general duty rate (%) Temporary rate (%) Percentage point reduction (%)

V. Technical comments

The article description was changed as shown above to be consistent with the nomenclature used in the Chapter 99 heading that provides duty-free treatment for the first listed component of this product through December 31, 2012 (9902.24.93).

VI. Continuation

If enacted, the tariff relief provided for in this bill would be available to any entity that imports the product that is covered by the bill.

VII. Contacts with domestic firms/organizations

#	Firm/organization and contact name	Telephone number	Claims same or competing product made in the United States	Submission attached	Opposition noted
1	DyStar L.P. (Interested entity) Megan Malone	202-344-4621	No	No	No
2	3M Government Affairs Greg Walters	202-414-3008	No	No	No
3	BASF Corporation Richard J. Salamone	973-895-8316	No	No	No
4	Bayer International Trade Services Corporation Steve Johnsen	412-777-5616	No	No	No
5	Chemtura Matt Mattingley	202-841-5601	No	No	No
6	Clariant Andrew Zamoyski	202-415-9159	No	No	No
7	ColorChem Steven Printz	770-993-5500, x18	No	No	No
8	Crowell & Moring, LLP Mike Gill	202-508-8843	No	No	No
9	Dixie Chemical Mal Johnson	281-291-2659	No	No	No
10	Dow Chemical Co. Lisa Schroeter	202-429-3407	No	No	No
11	DuPont Legal Elaine M. Olsen	302-992-2263	No	No	No
12	Emerald Performance Materials Thomas Dirmyer	330-916-6706	No	No	No
13	Fanwood Chemical Inc. V. M. (Jim) DeLisi	908-322-8440	No	No	No
14	Kemira Rajesh Sharma	678-819-4577	No	No	No
15	LANXESS Corp. Jamie B. Schaeffer	412-809-3666	No	No	No
16	Nation Ford Chemical Co. Jay Dickson	803-548-3210, x15	No	No	No
17	PPG Industries Inc. Bill Ries	412-434-1717	No	No	No
18	Royce Associates, ALP Terry Scheirer	201-438-5200	No	No	No

	#	Firm/organization and contact name	Telephone number	Claims same or competing product made in the United States	Submission attached	Opposition noted
	19	Sensient Technologies Ken Goldacker	314-658-7363	No	No	No
	20	Society of Chemical Manufacturers and Affiliates Robert E. Branand, Esq.	202-345-2717	No	No	No
	21	United Color Manufacturing Inc. Tom Nowakowski	215-860-2165	No	No	No

112TH CONGRESS
2^D SESSION

H. R. 3949

To suspend temporarily the duty on mixtures of (3-Pyridinecarbonitrile, 5-[(2-cyano-4-nitrophenyl)diazenyl]-2-[[2-(2-hydroxyethoxy) ethyl]amino]-4-methyl-6-(phenylamino)-) and (3-Pyridinecarbonitrile, 5-[(2-cyano-4-nitrophenyl)diazenyl]-6-[[2-(2-hydroxyethoxy) ethyl]amino]-4-methyl-2-(phenylamino)-).

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 7, 2012

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

A BILL

To suspend temporarily the duty on mixtures of (3-Pyridinecarbonitrile, 5-[(2-cyano-4-nitrophenyl)diazenyl]-2-[[2-(2-hydroxyethoxy) ethyl]amino]-4-methyl-6-(phenylamino)-) and (3-Pyridinecarbonitrile, 5-[(2-cyano-4-nitrophenyl)diazenyl]-6-[[2-(2-hydroxyethoxy) ethyl]amino]-4-methyl-2-(phenylamino)-).

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. MIXTURES OF (3-PYRIDINECARBONITRILE, 5-[(2-**
 2 **CYANO-4-NITROPHENYL)DIAZENYL]-2-[[2-(2-**
 3 **HYDROXYETHOXY)ETHYL]AMINO]-4-METHYL-**
 4 **6-(PHENYLAMINO)-) AND (3-**
 5 **PYRIDINECARBONITRILE, 5-[(2-CYANO-4-**
 6 **NITROPHENYL)DIAZENYL]-6-[[2-(2-**
 7 **HYDROXYETHOXY)ETHYL]AMINO]-4-METHYL-**
 8 **2-(PHENYLAMINO)-).**

9 (a) IN GENERAL.—Subchapter II of chapter 99 of
 10 the Harmonized Tariff Schedule of the United States is
 11 amended by inserting in numerical sequence the following
 12 new heading:

“	9902.01.00	Mixtures of (3-Pyridinecarbonitrile, 5-[(2-cyano-4-nitrophenyl)diazanyl]-2-[[2-(2-hydroxyethoxy)ethyl]amino]-4-methyl-6-(phenylamino)-) (CAS No.149988-44-3) and (3-Pyridinecarbonitrile, 5-[(2-cyano-4-nitrophenyl)diazanyl]-6-[[2-(2-hydroxyethoxy)ethyl]amino]-4-methyl-2-(phenylamino)-) (CAS No. 137428-29-6) (provided for in subheading 3204.11.35)	Free	No change	No change	On or before 12/31/2014 ”.
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13 (b) EFFECTIVE DATE.—The amendment made by
 14 subsection (a) applies to articles entered, or withdrawn
 15 from warehouse for consumption, on or after the 15th day
 16 after the date of the enactment of this Act.

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