



MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress

Date approved July 9, 2012

I. Background

Bill number: H.R. 4626

Sponsor name: Mr. Lou Barletta, et al.

Sponsor state: PA

Interested entity:

Name Air Products and Chemicals, Inc.

City Allentown

State PA

Other bills on product (112th Congress only): S. 2731 (Mr. Robert P. Casey, Jr., PA)

Nature of bill: Extension of temporary duty suspension

Expiration date: December 31, 2015

Current or previous chapter 99 heading: 9902.40.36

Retroactive date: None

CAS number (if applicable): None

Industry analyst: Ruben Mata

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Tariff Affairs contact: Jan Summers

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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)):

Pressure distillation columns, designed to liquefy air and its component gases, the foregoing containing brazed aluminum plate-fin heat exchangers (provided for in subheading 8419.60.10)

(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.)

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

Pressure distillation columns are an integral part of air separation plants. Pressure distillation columns convert atmospheric air into various gases, including nitrogen, oxygen, argon, and other gases. These gases are used in a wide range of industries including aerospace, food and beverages, healthcare, semiconductors, chemicals, refining, oil and gas, primary metals, and metal fabrication. Each pressure distillation column is a specialty product with a series of stainless steel stacked plates/trays in the shape of a tall metal cylinder. The subject pressure distillation columns are internally fitted with perforated horizontal plates and contain a brazed aluminum plate-fin heat exchanger, a reflux drum, reboiler, and condenser. These distillation columns were only imported in 2011, and shipments totaled \$39.3 million, with \$34.2 million from China and \$5.1 million from France.

IV. Estimated effect on customs revenue

Table with 6 columns: Item, 2013, 2014, 2015, 2016, 2017. Rows include Subject product HTS subheading(s) (8419.60.10), Col.1-general rate of duty or percentage point reduction (%), Estimated value of dutiable imports (\$), and Customs revenue loss (\$).

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

None

VI. Continuation

S. 2731 is identical to H.R. 4626.

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	Air Products and Chemicals, Inc. (Interested entity) Richard Goodstein	202-783-1555	No	No	No
2	Airgas, Inc. Mike Hecht	610-687-5253	No	No	No
3	Air Liquide American Corp. Mike Rosen	713-624-8800	No	No	No
4	Linde AG, Selas Fluid Division Gene Irrgang	610-832-8720	No	No	No
5	Praxair, Inc. Bill Murphy	716-879-4736	No	No	No

112TH CONGRESS
2D SESSION

H. R. 4626

To extend the suspension of duty on certain air pressure distillation columns.

IN THE HOUSE OF REPRESENTATIVES

APRIL 25, 2012

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

A BILL

To extend the suspension of duty on certain air pressure
distillation columns.

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. CERTAIN AIR PRESSURE DISTILLATION COL-**
4 **UMNS.**

5 (a) IN GENERAL.—Heading 9902.40.36 of the Har-
6 monized Tariff Schedule of the United States (relating to
7 certain air pressure distillation columns) is amended by
8 striking the date in the effective period column and insert-
9 ing “12/31/2015”.

10 (b) EFFECTIVE DATE.—The amendment made by
11 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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