



## 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/](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)):**

2-Acetylbutyrolactone (CAS No. 517-23-7) (provided for in subheading 2932.20.50)

(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**

The subject product is a synthetic organic chemical used as a raw material in the production of fungicides. It is imported from China and Japan.

The bill is an extension of an existing duty suspension. In addition to extending the provision, the bill would change the duty rate to 0.4 percent. The current rate for HTS subheading 9902.10.65 is "Free."

**IV. Estimated effect on customs revenue**

Subject product HTS subheading(s)	2932.20.50				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty (%) or percentage point reduction	3.3	3.3	3.3	3.3	3.3
Estimated value of <i>dutiable</i> imports (\$)	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000
Customs revenue loss (\$)	528,000	528,000	528,000	528,000	528,000

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

Estimated effects on customs revenue.... -- continued:

The estimated Customs revenue loss reported is based on the percentage point reduction (3.3%), which is the difference between the Col.1-general rate of duty (3.7%) and the temporarily reduced rate (0.4%).

## 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	Bayer (Interested entity) Steve Johnsen	412-777-5616	No	No	No
2	3M Greg Walters	202-414-3008	No	No	No
3	Albaugh Stuart Feldstein	515-964-9444	No	No	No
4	Arkema David Kunz	202-263-3491	No	No	No
5	Ashland Frank Fusiak	973-628-4123	No	No	No
6	BASF Richard J. Salamone	973-895-8316	No	No	No
7	Celanese Samuel Ramirez	972-443-4689	No	No	No
8	Chemtura Elizabeth J. Thomasino	203-573-2644	No	No	No
9	Clariant Andrew Zamoyski	202-415-9159	No	No	No
10	ColorChem Steven Printz	770-993-5500, x18	No	No	No
11	Crowell & Moring, LLP Mike Gill	202-508-8843	No	No	No
12	DSM Sheetal Bhadekar	973-257-8323	No	No	No
13	Dixie Chemical Mal Johnson	281-291-2659	No	No	No
14	Dow Chemical Co. Lisa Schroeter	202-429-3407	No	No	No
15	Drexel Chemical Stanley Bernard	901-774-4370	No	No	No
16	DuPont Elaine M. Olsen	302-992-2263	No	No	No
17	DyStar L.P. Megan Malone	202-344-4621	No	No	No
18	Eastman Greg Riddle	212-835-1620	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	Emerald Performance Materials Thomas Dirmyer	330-916-6706	No	No	No
20	Evonik Russell Mait	804-452-5711	No	No	No
21	FMC Jerry Prout	202-956-5209	No	No	No
22	Fanwood Chemical V. M. (Jim) DeLisi	908-322-8440	No	No	No
23	Honeywell Art Simonetti	202-662-2671	No	No	No
24	Kemira Rajesh Sharma	678-819-4577	No	No	No
25	LANXESS Jamie B. Schaeffer	412-809-3666	No	No	No
26	Lonza Joe Robinson	201-316-9364	No	No	No
27	Monsanto James K. Travis	202-383-2864	No	No	No
28	Nation Ford Chemical Jay Dickson	803-548-3210, x15	No	No	No
29	Nufarm Americas Joel Junker	206-621-7878	No	No	No
30	PPG Industries Bill Ries	412-434-1717	No	No	No
31	Procter & Gamble Matt Mattingley	202-841-5601	No	No	No
32	Purolite Gary Thundercliffe	484-384 2708	No	No	No
33	Royce Associates, ALP Terry Scheirer	201-438-5200	No	No	No
34	SOCMA Robert E. Branand, Esq.	202-345-2717	No	No	No
35	Sensient Technologies Ken Goldacker	314-658-7363	No	No	No
36	Sigma Aldrich Jared Fenton	314-286-8326	No	No	No
37	Solutia Kassie Wooton	314-674-3297	No	No	No

38	Solvay Andrew K. Jones	856-251-3412	No	No	No
39	Symrise Elizabeth Scharlat	908-429-6821	No	No	No
40	Syngenta Mike Blythe	336-632-2824	No	No	No
41	United Color Manufacturing Tom Nowakowski	215-860-2165	No	No	No
42	Valent Robin Demouth	925-256-2758	No	No	No

112<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 4663

To modify and extend the temporary reduction of duty on 2-Acetylbutyrolactone.

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IN THE HOUSE OF REPRESENTATIVES

APRIL 25, 2012

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

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## A BILL

To modify and extend the temporary reduction of duty on 2-Acetylbutyrolactone.

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. 2-ACETYL BUTYROLACTONE.**

4       (a) IN GENERAL.—Heading 9902.10.65 of the Har-  
5       monized Tariff Schedule of the United States (relating to  
6       2-Acetylbutyrolactone) is amended—

7               (1) by striking “Free” and inserting “0.4%”;

8       and

9               (2) by striking “12/31/2012” and inserting

10       “12/31/2015”.

1       (b) **EFFECTIVE DATE.**—The amendments made by  
2 subsection (a) apply with respect to goods entered, or  
3 withdrawn from warehouse for consumption, on or after  
4 the 15th day after the date of enactment of this Act.

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