



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)):

2,2-Dichloroacetyl chloride (CAS No. 79-36-7) (provided for in HTS subheading 2915.40.50)

(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 chemical intermediate used in the synthesis of a seed safener used in various herbicide formulations. It is imported from China and Switzerland.

IV. Estimated effect on customs revenue

| | | | | | |
|--|------------|-----------|-----------|-----------|-----------|
| Subject product HTS subheading(s) | 2915.40.50 | | | | |
| Item | 2013 | 2014 | 2015 | 2016 | 2017 |
| Col.1-general rate of duty or percentage point reduction (%) | 3.7 | 3.7 | 3.7 | 3.7 | 3.7 |
| Estimated value of <i>dutiable</i> imports (\$) | 2,000,000 | 3,000,000 | 6,000,000 | 6,000,000 | 6,000,000 |
| Customs revenue loss (\$) | 74,000 | 111,000 | 222,000 | 222,000 | 222,000 |

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

Staff modified the article description to correct the chemical name.

VI. Continuation

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 | Syngenta (Interested entity) Mike Blythe | 336-632-2824 | No | No | No |
| 2 | 3M Greg Walters | 202-414-3008 | No | No | No |
| 3 | Air Products Richard F. Goodstein | 202-639-0840 | No | No | No |
| 4 | Albaugh Stuart Feldstein | 515-964-9444 | No | No | No |
| 5 | Arkema David Kunz | 202-263-3491 | No | No | No |
| 6 | Ashland Frank Fusiak | 973-628-4123 | No | No | No |
| 7 | BASF Richard J. Salamone | 973-895-8316 | No | No | No |
| 8 | Bayer Steve Johnsen | 412-777-5616 | No | No | No |
| 9 | Celanese Samuel Ramirez | 972-443-4689 | No | No | No |
| 10 | Chemtura Elizabeth J. Thomasino | 203-573-2644 | No | No | No |
| 11 | Clariant Andrew Zamoyski | 202-415-9159 | No | No | No |
| 12 | ColorChem Steven Printz | 770-993-5500, x18 | No | No | No |
| 13 | Crowell & Moring, LLP Mike Gill | 202-508-8843 | No | No | No |
| 14 | DSM Sheetal Bhadekar | 973-257-8323 | No | No | No |
| 15 | Dixie Chemical Mal Johnson | 281-291-2659 | No | No | No |
| 16 | Dow Lisa Schroeter | 202-429-3407 | No | No | No |
| 17 | Drexel Chemical Stanley Bernard | 901-774-4370 | No | No | No |
| 18 | DuPont Elaine M. Olsen | 302-992-2263 | 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 | DyStar L.P. Megan Malone | 202-344-4621 | No | No | No |
| 20 | Eastman Brent Perry | 202-347-9547 | No | No | No |
| 21 | Emerald Performance Materials Thomas Dirmyer | 330-916-6706 | No | No | No |
| 22 | Evonik Russell Mait | 804-452-5711 | No | No | No |
| 23 | FMC Jerry Prout | 202-956-5209 | No | No | No |
| 24 | Fanwood Chemical V. M. (Jim) DeLisi | 908-322-8440 | No | No | No |
| 25 | Honeywell Art Simonetti | 202-662-2671 | No | No | No |
| 26 | Huntsman Robert F. Hurley | 202-289-9800 | No | No | No |
| 27 | Kemira Rajesh Sharma | 678-819-4577 | No | No | No |
| 28 | LANXESS Jamie B. Schaeffer | 412-809-3666 | No | No | No |
| 29 | Lonza Joe Robinson | 201-316-9364 | No | No | No |
| 30 | Milliken Kathi Dutilh | 202-775-0084 | No | No | No |
| 31 | Monsanto James K. Travis | 202-383-2864 | No | No | No |
| 32 | Nation Ford Chemical Jay Dickson | 803-548-3210, x15 | No | No | No |
| 33 | Nufarm Americas Joel Junker | 206-621-7878 | No | No | No |
| 34 | PPG Industries Bill Ries | 412-434-1717 | No | No | No |
| 35 | Procter & Gamble Matt Mattingley | 202-841-5601 | No | No | No |
| 36 | Purolite Gary Thundercliffe | 484-384-2708 | No | No | No |
| 37 | Rhodia Jackie Guscott | 609-860-3379 | No | No | No |

| | | | | | |
|----|--|--------------|----|----|----|
| 38 | Royce Associates, ALP Terry Scheirer | 201-438-5200 | No | No | No |
| 39 | SOCMA Robert E. Branand | 202-345-2717 | No | No | No |
| 40 | Sensient Technologies Ken Goldacker | 314-658-7363 | No | No | No |
| 41 | Sigma-Aldrich Jared Fenton | 314-286-8326 | No | No | No |
| 42 | Solutia Kassie Wooton | 314-674-3297 | No | No | No |
| 43 | Solvay Andrew K. Jones | 856-251-3412 | No | No | No |
| 44 | Symrise Elizabeth Scharlat | 908-429-6821 | No | No | No |
| 45 | United Color Manufacturing Tom Nowakowski | 215-860-2165 | No | No | No |
| 46 | Valent Robin Demouth | 925-256-2758 | No | No | No |

112TH CONGRESS
2^D SESSION

H. R. 5504

To suspend temporarily the rate of duty on Dichloroacetyl Chloride.

IN THE HOUSE OF REPRESENTATIVES

MAY 7, 2012

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

A BILL

To suspend temporarily the rate of duty on Dichloroacetyl Chloride.

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. DICHLOROACETYL CHLORIDE.**

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 | 2,2-dichloroacetyl chloride (CAS No. 79-36-7) (pro- vided for in HTS sub- heading 2915.40.50) | Free | No change | No change | On or before 12/31/2015 | ”. |
|---|------------|--|------|-----------|-----------|----------------------------|----|

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

○