

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress¹**

[Date approved: August 26, 2005]²

Bill No. and sponsor: H.R. 1854 (Mr. Rangel)

Proponent name, location: Mitsui & Co. (U.S.A.), Inc.
200 Park Avenue
New York, NY 10166

Other bills on product (109th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2008.

Retroactive effect: None.

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

Magnesium zinc aluminum hydroxide carbonate hydrate (CAS No. 169314-88-9) coated with an organic fatty acid (provided for in subheading 3812.30.90).

Check one: Same as that in bill as introduced
 Different from that in bill as introduced (explain differences in Technical comments section)

Product information, including uses/applications and source(s) of imports:

The product, imported from the Netherlands, is used as a heat stabilizer in heavy-metal-free PVC stabilizer systems. The product is covered by a patent until 2008 so no one other than the proponent can import it unless a license is obtained. According to the proponent, there is no U.S. production.

¹ Industry analyst preparing report: Jack Greenblatt (202-205-3353); Tariff Affairs contact: David Michels (202-205-3440).

² Access to an electronic copy of this memorandum is available at www.usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

Estimated effect on customs revenue:

HTS subheading: <u>3812.30.90</u>					
 	2005	2006	2007	2008	2009
Col. 1-General rate of duty (AVE) <u>1/</u>	5%	5%	5%	5%	5%
Estimated value <i>dutiable</i> imports	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000
Customs revenue loss	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000

1/ The AVE is the ad valorem equivalent of a specific or compound duty rate expressed as a percent, using the most recent import data available.

Source of estimated dutiable import data: Industry estimates.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	US production of same or competitive product claimed?	Submission attached?	Opposition noted?
		(Yes/No)		
Mitsui & Co. (proponent) Max Turnipseed 225-338-0310	6/29/2005	No	No	No
Baerlocher USA Ken Kieffer 513-482-6300	7/7/2005	No	No	No
Chemson Inc. Glen Patkinson 215-365-1082	7/5/2005	No	No	No
Chemtura Corp. (Formerly Crompton) Walter Nudenberg 203-573-2000	7/7 2005	No	No	No
Halstab (Div. of the Hammond Grp Inc.) Ken Ballow 219-931-9360	7/7 2005	No	No	No
Ferro Corp. Paul Chandler 216-641-8580	7/7/2005	No	No	No
JM Huber R. Hows King Jr. 678-247-7300	7/5/2005	No	No	No

Technical comments:³

The Commission suggests that the article description on page 1 of this report be used in the proposed new heading in order to include the phrase “coated with an organic fatty acid” and render a more accurate description of the product.

³ 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.

109TH CONGRESS
1ST SESSION

H. R. 1854

To suspend temporarily the duty on magnesium zinc aluminum hydroxide carbonate hydrate.

IN THE HOUSE OF REPRESENTATIVES

APRIL 26, 2005

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

A BILL

To suspend temporarily the duty on magnesium zinc aluminum hydroxide carbonate hydrate.

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. MAGNESIUM ZINC ALUMINUM HYDROXIDE CAR-**
4 **BONATE HYDRATE.**

5 (a) IN GENERAL.—Subchapter II of chapter 99 of
6 the Harmonized Tariff Schedule of the United States is
7 amended by inserting in numerical sequence the following
8 new heading:

“	9902.04.61	Magnesium zinc aluminum hydroxide carbonate hydrate (CAS No. 169314–88–9) (provided for in subheading 3812.30.90)	Free	No change	No change	On or before 12/31/2008	”.
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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.

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