

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: November 2, 2005]²

Bill No. and sponsor: H.R. 2094 (Mr. William L. Jenkins of Tennessee)

Proponent name, location: Eastman Chemical Co., Kingsport, TN

Other bills on product (109th Congress only): H.R. 2442

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

Retroactive effect: None.

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

Thionyl chloride (CAS No. 7719-09-7) (provided for in subheading 2812.10.50).

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

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

The product, imported from Germany and Switzerland, is a mild chlorinating agent used in chemical synthesis. It has been used in the manufacture of fungicides, pharmaceuticals, photographic chemicals, dehydrating agents, and battery electrolytes.³

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 http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm

³ The proponent states that they no longer import the product. The information on sources of imports is based on information provided by the proponent in H.R. 2442.

Estimated effect on customs revenue:

HTS subheading: 2812.10.50					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	3.7%	3.7%	3.7%	3.7%	3.7%
Estimated value <i>dutiable</i> imports	\$700,000	\$700,000	\$700,000	\$700,000	\$700,000
Customs revenue loss ^{1/}	\$25,900	\$25,900	\$25,900	\$25,900	\$25,900

^{1/} Estimated revenue loss for 2005 and 2006 results from a current suspension of duty per heading 9902.28.01.

Source of estimated dutiable import data: Industry estimates.⁴

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)		
Eastman Chemical Co. (Proponent) Jorge San Pedro, 703-524-7653	08/23/2005	No	No	No
Tyco Healthcare/Mallinckrodt Michelle Miller, 508-261-8000 Ext:6650	09/07/2005	No	No	No
Dupont Corp. Ron Olden, 202-728-3600	09/07/2005	No	No	No
Occidental Chemical Chris Settatter, : 202-857-3000	09/07/2005	No	No	No
Rhodia Corp. Rick Valentine, 202-661-3802	09/06/2005	No	No	No

⁴ The source of the Customs value and Customs revenue loss information in this bill is the proponent for H.R. 2442 (see Technical Comments).

Technical comments:⁵

The Commission notes that HTS heading 9902.28.01 provides a temporary duty suspension for this chemical that expires on December 31, 2006. The Commission suggests that the date in the effective period column of heading 9902.28.01 be amended to extend the existing duty suspension. Also, the Commission notes that the word “Free” in the special subcolumn of heading 9902.28.01 should be deleted.

The Commission notes that the proponent has indicated that they no longer use thionyl chloride and are no longer interested in passage of this legislation. However, another bill introduced in the current session of Congress, H.R. 2442, introduced on behalf of another party, seeks temporary duty suspension for thionyl chloride.

⁵ 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. 2094

To suspend temporarily the duty on thionyl chloride.

IN THE HOUSE OF REPRESENTATIVES

MAY 4, 2005

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

A BILL

To suspend temporarily the duty on thionyl 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. THIONYL 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:

“	9902.06.22	Thionyl chloride (CAS No. 7719-09-7) (provided for in subheading 2812.10.50)	Free	No change	No change	On or before 12/31/2008	”.
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8 (b) EFFECTIVE DATE.—The amendment made by
9 subsection (a) applies to goods entered, or withdrawn from

- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of the enactment of this Act.

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