



BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE
Foreign-Trade Zones Board
(B-74-2017)

Foreign-Trade Zone (FTZ) 204 – Tri-Cities Area, TN/VA
Notification of Proposed Production Activity
Eastman Chemical Company
(Acetic Anhydride and Acetic Acid)
Kingsport, Tennessee

The Tri-Cities Airport Authority, grantee of FTZ 204, submitted a notification of proposed production activity to the FTZ Board on behalf of Eastman Chemical Company (Eastman Chemical), located in Kingsport, Tennessee. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on November 21, 2017.

The Eastman Chemical facility is located within Site 12 of FTZ 204. The facility is used for the separation via vacuum distillation of an imported blend of acetic anhydride and acetic acid. Pursuant to 15 CFR 400.14(b), FTZ activity would be limited to the specific foreign-status materials and components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt Eastman Chemical from customs duty payments on the foreign-status components used in export production. On its domestic sales, for the foreign-status material/component noted below, Eastman Chemical would be able to choose the duty rates during customs entry procedures that apply to acetic acid and acetic anhydride (duty rate ranges from 1.8 to 3.5%). Eastman

Chemical would be able to avoid duty on foreign-status components which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The component/material sourced from abroad is a blend of acetic anhydride and acetic acid (duty rate 5%).

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

A copy of the notification will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 21013, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230-0002, and in the "Reading Room" section of the Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Elizabeth Whiteman at Elizabeth.Whiteman@trade.gov or (202) 482-0473.

Dated: November 21, 2017

Andrew McGilvray
Executive Secretary

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