

**SUPPLEMENTARY INFORMATION:****Background**

Under section 4672(a), an importer or exporter of any substance may request that the Secretary determine whether that substance should be listed as a taxable substance. The Secretary shall add the substance to the list of taxable substances in section 4672(a)(3) if the Secretary determines that taxable chemicals constitute more than 50 percent of the weight, or more than 50 percent of the value, of the materials used to produce the substance. This determination is to be made on the basis of the predominant method of production. Notice 89-61, 1989-1 C.B. 717, sets forth the rules relating to the determination process.

**Determination**

On October 12, 1995, the Secretary determined that methyl methacrylate should be added to the list of taxable substances in section 4672(a)(3), effective October 1, 1995.

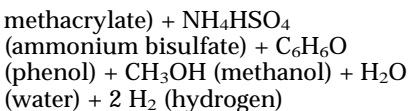
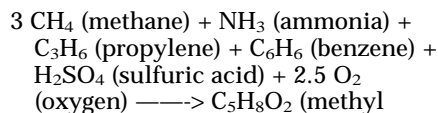
The rate of tax prescribed for methyl methacrylate, under section 4671(b)(3), is \$10.12 per ton. This is based upon a conversion factor for methane of 0.47, a conversion factor for ammonia of 0.22, a conversion factor for propylene of 0.6, a conversion factor for benzene of 0.94, and a conversion factor for sulfuric acid of 1.63.

The petitioner is Rohm and Haas Texas, Inc., a manufacturer and exporter of this substance. No material comments were received on this petition. The following information is the basis for the determination.

HTS number: 2916.14.00.20  
CAS number: 80-62-6

Methyl methacrylate is derived from the taxable chemicals methane, ammonia, propylene, benzene, and sulfuric acid and is a liquid produced predominantly by the catalytic reaction of acetone cyanohydrin and methyl alcohol. The methyl methacrylate is then purified by distillation.

The stoichiometric material consumption formula for this substance is:



Methyl methacrylate has been determined to be a taxable substance because a review of its stoichiometric material consumption formula shows that, based on the predominant method of production, taxable chemicals constitute 77.9 percent by weight of the materials used in its production.

Dale D. Goode,

*Federal Register Liaison Officer, Assistant Chief Counsel (Corporate).*

[FR Doc. 95-25870 Filed 10-18-95; 8:45 am]

**BILLING CODE 4830-01-U**

**Tax on Certain Imported Substances (Poly 1,4 butyleneterephthalate); Notice of Determination**

**AGENCY:** Internal Revenue Service (IRS), Treasury.

**ACTION:** Notice.

**SUMMARY:** This notice announces a determination, under Notice 89-61, that the list of taxable substances in section 4672(a)(3) will be modified to include poly 1,4 butyleneterephthalate.

**EFFECTIVE DATE:** This modification is effective April 1, 1991.

**FOR FURTHER INFORMATION CONTACT:** Ruth Hoffman, Office of Assistant Chief Counsel (Passthroughs and Special Industries), (202) 622-3130 (not a toll-free number).

**SUPPLEMENTARY INFORMATION:****Background**

Under section 4672(a), an importer or exporter of any substance may request that the Secretary determine whether that substance should be listed as a taxable substance. The Secretary shall add the substance to the list of taxable substances in section 4672(a)(3) if the Secretary determines that taxable chemicals constitute more than 50 percent of the weight, or more than 50 percent of the value, of the materials used to produce the substance. This determination is to be made on the basis of the predominant method of production. Notice 89-61, 1989-1 C.B. 717, sets forth the rules relating to the determination process.

**Determination**

On October 12, 1995, the Secretary determined that poly 1,4 butyleneterephthalate should be added to the list of taxable substances in section 4672(a)(3), effective April 1, 1995.

The rate of tax prescribed for poly 1,4 butyleneterephthalate, under section 4671(b)(3), is \$3.92 per ton. This is based upon a conversion factor for acetylene of 0.1186, a conversion factor for methane of 0.2920, and a conversion factor for xylene of 0.4816.

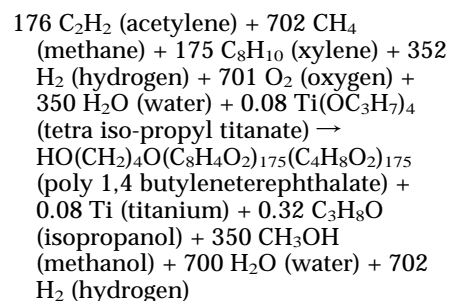
The petitioner is GE Plastics, a manufacturer and exporter of this substance. No material comments were received on this petition. The following information is the basis for the determination.

HTS number: 3907.91.00

CAS number: 26062-94-2

Poly 1,4 butyleneterephthalate is derived from the taxable chemicals acetylene, methane, and xylene and is a solid produced predominantly by the melt polycondensation process.

The stoichiometric material consumption formula for this substance is:



Poly 1,4 butyleneterephthalate has been determined to be a taxable substance because a review of its stoichiometric material consumption formula shows that, based on the predominant method of production, taxable chemicals constitute 53.8 percent by weight of the materials used in its production.

Dale D. Goode,

*Federal Register Liaison Officer, Assistant Chief Counsel (Corporate).*

[FR Doc. 95-25869 Filed 10-18-95; 8:45 am]

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