

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 109<sup>th</sup> Congress<sup>1</sup>**

[Date approved: August 26, 2005]<sup>2</sup>

**Bill No. and sponsor:** H.R. 1890, Mr. Cleaver.

**Proponent name, location:** Bayer CropScience  
St. Louis, MO 63111

**Other bills on product (109<sup>th</sup> Congress only):** None.

**Nature of bill:** Temporary duty suspension through 12/31/2008.

**Retroactive effect:** None.

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

(*RS*)-1-[2-(2,4-dichlorophenyl)-4-propyl-1,3-dioxolan-2-ylmethyl]-1*H*-1,2,4-triazole (CAS No. 60207-90-1)(provided for in subheading 2934.99.12).

**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:**

Propiconazole is a synthetic organic chemical used as a fungicide on rice, peanuts, corn, and pecans. It is applied most notably on rice in the southern states. This product is imported from Switzerland and then formulated for the domestic market. There are no known domestic producers of the chemical. Several companies market competing products in the U.S.

<sup>1</sup> Industry analyst preparing report: Richard Qualters (202-205-2334 ); Tariff Affairs contact: David Michels (202-205-3340).

<sup>2</sup> Access to an electronic copy of this memorandum is available at [http://usitc.gov/tata/hts/other/rel\\_doc/bill\\_reports/index.htm](http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm)

**Estimated effect on customs revenue:**

<b>HTS subheading: 2934.99.12</b>					
<del> </del>	2005	2006	2007	2008	2009
Col. 1-General rate of duty (AVE) <u>1/</u>	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$4,897,306	\$4,897,306	\$4,897,306	\$4,897,306	\$4,897,306
Customs revenue loss	\$318,325 <u>2/</u>	\$318,325 <u>2/</u>	\$318,325	\$318,325	\$318,325

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.

2/ Revenue losses for 2005 and 2006 result from a current duty suspension under heading 9902.29.80. 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)		
AtoFina Cerex Charles Kitchin, Fax: 703-527-2092	7/11/2005	No	No	No
Aventis Jean Reimers, Fax: 202-628-6622	7/11/2005	No	No	No
BASF Corporation Greg Theis, Fax: 202-558-5101	7/11/2005	No	No	No
Bayer CropScience Will Hensley, Fax: 202-628-6662	7/11/2005	No	No	No
Crop Life America Lawrence Norton, Fax: 202-463-0474	7/11/2005	No	No	No
Dow Agro Science Margaret Rogers, Fax: 202-429-3467	7/11/2005	No	No	No
E.I. duPont Elaine Olsen, Fax: 302-992-2263	7/11/2005	No	No	No
FMC Corporation Jerry Prout, Fax: 202-956-5235	7/11/2005	No	No	No

Griffin Corp. James Whatley, Fax: 800-248-5154	7/11/2005	No	No	No
Monsanto Corp. Michael Parrish, Fax: 202-789-1867	7/11/2005	No	No	No
Syngenta Mike Blythe, Fax: 336-632-6084	7/11/2005	No	No	No
Valent USA Robin Demouth, Fax: 925-256-2776	7/11/2005	No	No	No

**Technical comments:<sup>3</sup>**

The Commission suggests that the article description on page 1 of this report be used which reflects correct italicization of chemical descriptors.

There is an existing suspension of duty for this chemical under heading 9902.29.80. The Commission suggests that the bill be redrafted to amend heading 9902.29.80 by striking the effective date and inserting "12/31/2008". Heading 9902.29.80 should also be amended by striking the article description and inserting the article description on page 1 in lieu thereof.

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<sup>3</sup> 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.

109<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1890

To suspend temporarily the duty on Propiconazole.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 2005

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

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## A BILL

To suspend temporarily the duty on Propiconazole.

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. PROPICONAZOLE.**

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:

“	9902.05.84	(RS)—1-[2-(2,4-dichlorophenyl)—4-n-propyl-1,3-dioxolan-2-ylmethyl]-1H-1,2,4-triazole (CAS No. 60207–90–1) (provided for in subheading 2934.99.12) ..	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 goods entered, or withdrawn from  
3 warehouse for consumption, on or after the 15th day after  
4 the date of enactment of this Act.

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