

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. 1901 (Mr. Cleaver)

Proponent name, location: Bayer CropScience
Washington, D.C. 20004

Other bills on product (109th Congress only): H.R. 2397

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

Retroactive effect: None.

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

Methyl (*E*)-methoxyimino-{(*E*)- α -[1-(α,α,α -trifluoro-*m*-tolyl)ethylideneaminoxy]-*o*-tolyl}acetate (CAS No. 141517-21-7) (provided for in subheading 2929.90.20).

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:

Trifloxystrobin, a synthetic organic chemical, is the active ingredient in a new fungicide used on a wide range of products. The manufacturer states that the primary competition is from a class of fungicides that is imported.

Trifloxystrobin is imported from Switzerland. There are no competing imports and no other known importers of the subject product.

There is no known production of this chemical in the United States.

¹ Industry analyst preparing report: Jeff Clark (202-205-3318); 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

Estimated effect on customs revenue:

HTS subheading: 2929.90.20					
	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	\$12,110,000	\$12,110,000	\$12,110,000	\$12,110,000	\$12,110,000
Customs revenue loss <u>2/</u>	\$496,510	\$496,510	\$496,510	\$496,510	\$496,510

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 (4.1% of value of imports) are a result of the difference between the current duty rate of 6.5% and the proposed reduced rate of 2.4%. Revenue losses for 2005 and 2006 result from current duty reduction under heading 9902.29.41.

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)		
Bayer CropScience (proponent) Will Hensley, 202-756-3781	7/12/2005	No	No	No
Dow AgroSciences Lisa Schroeder, 202-429-3400	7/12/2005	No	No	No
E. I. du Pont Elaine Olsen, 302-992-2263	7/12/2005	No	No	No
FMC Corp. Jerry Prout, 202-956-5200	7/12/2005	No	No	No
Monsanto Corp. Linda Strachan, 202-783-2460	7/12/2005	No	No	No
Syngenta Mike Blythe, 336-632-6000	7/12/2005	No	No	No

Technical comments:³

Previous legislation reduced the rate of duty on this product through Dec. 31, 2006, also to 2.4% ad valorem. This duty reduction is reflected in existing heading 9902.29.41. According, the Commission suggests that this bill be restyled as an extension of an existing duty reduction, and that the bill be amended so as to read in part: “Heading 9902.29.41 is amended by striking ‘12/31/2006’ and inserting ‘12/31/2008’.”⁴ The amended wording should use the article description on page 1 of this report, which correctly italicizes positional descriptors.

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.

⁴ Specifically, line 6 of the bill could be amended to read”...amended by striking heading 9902.29.41 and inserting in lieu thereof the following...”. In addition, the heading number used in the bill, 9902.05.94, should be deleted and replaced with 9902.29.41.

109TH CONGRESS
1ST SESSION

H. R. 1901

To reduce temporarily the duty on Trifloxystrobin.

IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 2005

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

A BILL

To reduce temporarily the duty on Trifloxystrobin.

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. TRIFLOXYSTROBIN.**

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:

“	9902.05.94	Methyl (E)-methoxyimino- {(E)- α -[1-(α,α,α -trifluoro- m-tolyl)ethylideneaminoxy]- o-tolyl}acetate (CAS No. 141517-21-7) (provided for in subheading 2929.90.20) ..	2.4%	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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