

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: October 12, 2005]²

Bill No. and sponsor: H.R. 2010 (Mr. David E. Price of North Carolina).

Proponent name, location: Isagro-USA, Morrisville, NC

Other bills on product (109th Congress only): None.

Nature of bill: Temporary reduction in duty through 12/31/2009.

Retroactive effect: None.

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

2-(2,4-Dichlorophenyl)-3-(1*H*-1,2,4-triazol-1-yl)propanol (CAS No. 112281-82-0) (provided for in subheading 2933.99.79)

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:

This synthetic organic chemical, sometimes known as M-Alcohol, is the key intermediate in producing Tetraconazole, a systemic triazole antifungal with important unique crop uses. The importer, Isagro-USA, both synthesizes Tetraconazole and imports it from Italy as well as making formulated fungicide from it. The subject chemical is imported from India and Japan.

¹ Industry analyst preparing report: Robert Randall (202-205-3366); 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: <u>2933.99.79</u>					
 	2005	2006	2007	2008	2009
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$6,900,000	\$6,360,000	\$8,750,000	\$8,750,000	\$8,750,000
Customs revenue loss <u>1/</u>	\$379,500	\$349,800	\$481,250	\$481,250	\$481,250

1/ The revenue loss results from a difference between the rate of duty shown and the proposed reduced rate of 1%.

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)		
Isagro-USA (Proponent) Denny Krass, 919-321-5202	8/15/2005	No	No	No
AtoFina Cerex Charles Kitchin, FAX: 703-527-2092	8/30/2005	No	No	No
Aventis Jean Reimers, FAX: 202-628-6622	8/30/2005	No	No	No
BASF Corp. Greg Thies, FAX: 202-558-5101	8/30/2005	No	No	No
Bayer Corporate Services Karen Niedermeyer, FAX: 412-777-4700	8/30/2005	No	No	No
Crop Life America Lawrence Norton, FAX: 202-463-0474	8/30/2005	No	No	No
Dow Agro Sciences Lisa Schrocter, FAX: 202-429-3467	8/30/2005	No	No	No

E.I. DuPont Nancy Johnson, FAX: 202-728-3649 Elaine Olsen, FAX: 302-992-2263	8/30/2005	No	No	No
FMC Corp. Jerry Prout, FAX: 202-956-5235	8/30/2005	No	No	No
Griffin Corp. James Whatley, FAX: 800-248-5154	8/30/2005	No	No	No
LANXESS Corp. Jamie B. Schaeffer, FAX: 412-809-3614	8/30/2005	No	No	No
Monsanto Corp. Michael Parrish, FAX: 202-789-1867	8/30/2005	No	No	No
Monsanto Corp. Linda Strachan, FAX: 202-789-1867	8/30/2005	No	No	No
Syngenta Mike Blythe, FAX: 336-632-6084	8/30/2005	No	No	No
Valent USA Robin Demouth, FAX: 925-246-2776	8/30/2005	No	No	No

Technical comments:³

The Commission suggests that the article description on page 1 of this report be used in the proposed new heading in order to provide the correct chemical name and the correct HTS classification.

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.

109TH CONGRESS
1ST SESSION

H. R. 2010

To reduce temporarily the duty on M-Alcohol.

IN THE HOUSE OF REPRESENTATIVES

APRIL 28, 2005

Mr. PRICE of North Carolina introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To reduce temporarily the duty on M-Alcohol.

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. M-ALCOHOL.**

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:

“	9902.04.36	(2,4-Dichlorophenyl)-3-(1H-1,2,4-triazol-1-yl)-1-propanol (CAS No. 112281-82-0) (provided for in sub-heading 2933.99.79)	1%	No change	No change	On or before 12/31/2009	”.
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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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