

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: April 25, 2006]²

Bill No. and sponsor: H.R. 3219 (Mr. Steve Buyer of Indiana).

Proponent name, location: Dow Agrosiences LLC, Indianapolis, IN.

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

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

Retroactive effect: None.

Article description(s) (including appropriate HTS classification(s)):

Propanoic acid, 2-[4-(cyano-2-fluorophenoxy)phenoxy], butyl ester (2R) (CAS No. 122008-85-9) (Cyhalofop-butyl) (provided for in subheading 2926.90.25).

Check one: Same as in the HTS heading(s) in the bill as introduced.
 Different from the HTS heading(s) in the bill (see Technical comments).

Product information, including uses/applications and source(s) of imports:

The subject product is a synthetic organic chemical that is used as an active ingredient in rice herbicide products. The subject product is imported from Japan.

Estimated effect on customs revenue:

HTS subheading: <u>2926.90.25</u>					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty					
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$10,500,000	\$10,500,000	\$10,500,000	\$10,500,000	\$10,500,000
Customs revenue loss 1/	\$525,000	\$525,000	\$525,000	\$525,000	\$525,000

1/ The estimated Customs revenue loss for 2005 and 2006 results from a temporary duty suspension under HTS heading 9902.02.86 that expires on December 31, 2006. The estimated Customs revenue loss is based on the difference between the current rate of 6.5% and the proposed duty reduction to 1.5%. Source of estimated dutiable import data: Industry and Commission estimates.

¹ Industry analyst preparing report: Eric Land (202-205-3349); Tariff Affairs contact: Dave 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.

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)		
Dow Agrosiences LLC (Proponent) Max Turnipseed 225-338-0130 email: MCTINT@cox.net Lisa Schroeter Fax: 202-429-3467	10/31/2005 11/3/2005	No	No	No
Abbott Laboratories Elaine Leavenworth Fax: 202-783-6631	11/3/2005	No	No	No
American Chemistry Council Jim O'Connor Fax: 703-741-6922	11/3/2005	No	No	No
AtoFina Cerex Charles Kitchin Fax: 703-527-2092	11/3/2005	No	No	No
BASF Corp. Greg Thies Fax: 202-558-5101	11/3/2005	No	No	No
Bayer Corp. William Hensley Fax: 202-737-8908 Karen Niedermeyer Fax: 412-777-4740 Julie Van Egmund Fax: 202-737-8908	11/3/2005	No	No	No
Biddle Sawyer William Thonack Fax: 212-239-1089	11/3/2005	No	No	No
Ciba Specialty Chemicals John Deming Fax: 302-479-5152	11/3/2005	No	No	No
Clariant Corp. Andrew Zamoyski Fax: 401-823-2700	11/3/2005	No	No	No
Crop Life America Lawrence Norton Fax: 202-463-0474	11/3/2005	No	No	No
DuPont Helen McMahon Fax: 302-774-1398	11/3/2005	No	No	No
Eastman Chemical Greg Riddle Fax: 703-524-7707 Jorge San Pedro Fax: 703-524-7707	11/3/2005	No	No	No
FMC Corp. Jerry Prout Fax: 202-956-5235	11/3/2005	No	No	No
Honeywell International Art Simonetti Fax: 202-662-2675	11/3/2005	No	No	No

LANXESS Corporation Jamie B. Schaeffer Fax: 412-809-3614	11/3/2005	No	No	No
Monsanto Corporation Linda Strachan Fax: 202-789-1867 Michael Parrish Fax: 202-789-1867	11/3/2005	No	No	No
Noveon Tom Dirmyer Fax: 216-447-5720	11/3/2005	No	No	No
Rhodia Inc. Dominick Cangiana Fax: 609-860-1841	11/3/2005	No	No	No
Solutia Sue Cannon Fax: 314-674-1585 Dan Jenkins Fax: 314-674-1585	11/3/2005	No	No	No
Syngenta Mike Blythe Fax: 336-632-6084	11/3/2005	No	No	No
Uniroyal Lloyd Moon Fax: 203-573-4430	11/3/2005	No	No	No
Valent USA Robin Demouth Fax: 925-256-2776	11/3/2005	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 common industry name in parentheses.

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. 3219

To reduce temporarily the duty on Cyhalofop.

IN THE HOUSE OF REPRESENTATIVES

JULY 12, 2005

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

A BILL

To reduce temporarily the duty on Cyhalofop.

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. CYHALOFOP.**

4 (a) IN GENERAL.—Heading 9902.02.86 of the Har-
5 monized Tariff Schedule of the United States (relating to
6 propanoic acid) is amended—

7 (1) by striking “Free” and inserting “1.5%”;

8 and

9 (2) by striking “12/31/2006” and inserting
10 “12/31/2008”.

11 (b) EFFECTIVE DATE.—The amendment made by
12 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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