

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 110th Congress¹**

[Date approved: July 29, 2008]²

Bill No. and sponsor: H.R. 4786 (Mr. Thomas M. Reynolds of New York).

Proponent name,³ location: FMC Corporation, Middleport, NY.

Other bills on product (110th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2011.

Retroactive effect: None.

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

4-Chloro-2-cyano-N,N-dimethyl-5-(4-methylphenyl)-1H-imidazole-1-sulfonamide (Cyazofamid) (CAS No. 120116-88-3) (provided for in subheading 2935.00.75) and any formulations containing such compound (provided for in subheading 3808.92.15).

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:

Cyazofamid is the active ingredient in fungicides that are used on several major crops, such as potatoes, tomatoes, and curcubits. The active ingredient is imported from France, and the formulated application products are imported from Germany.

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://www.usitc.gov/tata/hts/other/rel_doc/bill_reports/.

³ The sponsor/proponent did not identify any additional beneficiaries of this bill.

Estimated effect on customs revenue:

Total Estimated Revenue Loss for this Bill					
	2009	2010	2011	2012	2013
Customs revenue loss	\$97,500	\$364,000	\$390,000	\$390,000	\$390,000

HTS subheading: <u>2935.00.75</u>					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000
Customs revenue loss	\$97,500	\$97,500	\$97,500	\$97,500	\$97,500

Source of estimated dutiable import data: U.S. industry estimates.

HTS subheading: <u>3808.92.15</u>					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$3,815,000	\$4,100,000	\$4,500,000	\$4,500,000	\$4,500,000
Customs revenue loss ^{1/}	\$0	\$266,500	\$292,500	\$292,500	\$292,500

^{1/} Under HTS heading 9902.24.56, there is an existing duty suspension for imports of the formulated product, which is provided for in subheading 3808.92.15, that expires on December 31, 2009. Therefore, there will be no customs revenue loss in 2009 as a result of the enactment of a duty suspension for the formulated product under this bill.

Source of estimated dutiable import data: U.S. industry estimates.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
FMC Corporation (Proponent) Jerry Prout, 202-956-5209	5/15/2008	No	No	No
Arkema Inc. Charles A. Kitchen, Fax: 215-419-7075	5/15/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
BASF Corp. Greg Thies, Fax: 202-558-5101	5/15/2008	No	No	No
Bayer Crop Science William Hensley, Fax: 202-737-8909	5/15/2008	No	No	No
CropLife America Isi Siddiqui, Fax: 202-463-0474	5/15/2008	No	No	No
Dow Chemical Co. Lisa Schroeter, Fax: 202-429-3467 Max Turnipseed, Fax: 225-383-0590	5/15/2008	No	No	No
DuPont Helen McMahan, Fax: 302-355-2994	5/15/2008	No	No	No
Emerald Performance Materials Tom Dirmyer, Fax: 330-315-6480	5/15/2008	No	No	No
Gowan Company Cindy Baker, Fax: 928-373-1822 George L. Rolofson, Fax: 336-854-2772	5/15/2008	No	No	No
MG Group Matt Mattingley, Fax: 703-670-9313	5/15/2008	No	No	No
Monsanto Corp. Grant Erdel, Fax: 202-789-1867	5/15/2008	No	No	No
Nufarm Limited Joel R. Junker, Fax: 206-621-8220	5/15/2008	No	No	No
Syngenta Crop Protection, Inc. Angus Kelly, Fax: 336-632-6084	5/15/2008	No	No	No
Valent USA Robin Demouth, Fax: 925-256-2776	5/15/2008	No	No	No

Technical comments:⁴

The Commission staff notes that, as reflected on page 1 of this report, the word “Chloro” should be capitalized, and the word “technical” should be deleted.

⁴ 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.

110TH CONGRESS
1ST SESSION

H. R. 4786

To suspend temporarily the duty on Cyazofamid.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 18, 2007

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

A BILL

To suspend temporarily the duty on Cyazofamid.

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. CYAZOFAMID.**

4 (a) IN GENERAL.—Subchapter II of chapter 99 of
5 the Harmonized Tariff Schedule of the United States is
6 amended by striking heading 9902.24.56 (relating to
7 Cyazofamid) and inserting in numerical sequence the fol-
8 lowing new heading:

“	9902.____	4-chloro-2-cyano-N,N-dimethyl-5-(4-methylphenyl)-1H-imidazole-1-sulfonamide (Cyazofamid Technical) (CAS No. 120116-88-3) (provided for in subheading 2935.00.75) and any formulations containing such compound (provided for in subheading 3808.92.15)	Free	No change	No change	On or before 12/31/2011	”.
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1 (b) **EFFECTIVE DATE.**—The amendment made by
2 subsection (a) applies to articles entered, or withdrawn
3 from warehouse for consumption, on or after the 15th day
4 after the date of the enactment of this Act.

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