

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 110<sup>th</sup> Congress<sup>1</sup>**

[Date approved: August 28, 2008]<sup>2</sup>

**Bill No. and sponsor:** H.R. 5274 (Mrs. Shelley Moore Capito of West Virginia).

**Proponent name,<sup>3</sup> location:** Bayer CropScience, Research Triangle Park, NC.

**Other bills on product (110<sup>th</sup> Congress only):** None.

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

**Retroactive effect:** None.

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

Mixtures of 1-[(6-chloro-3-pyridinyl)methyl]-N-nitro-2-imidazolidinimine (Imidacloprid) (CAS No. 138261-41-3) with application adjuvants (provided for in subheading 3808.91.25).

**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:**

The subject product is a soil-applied insecticide that controls insects in a variety of fruit and vegetable crops, including grapes and potatoes. The product is imported from Germany.

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<sup>1</sup> Industry analyst preparing report: Stephen Wanser (202-205-3363); Tariff Affairs contact: David G. Michels (202-205-3440).

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

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

**Estimated effect on customs revenue:**

| <b>HTS subheading: 3808.91.25</b>       |              |              |              |              |              |
|---|--------------|--------------|--------------|--------------|--------------|
|   | 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 | \$21,375,000 | \$21,375,000 | \$21,375,000 | \$21,375,000 | \$21,375,000 |
| Customs revenue loss 1/ 2/              | \$320,625    | \$491,625    | \$491,625    | \$491,625    | \$491,625    |

1/ HTS heading 9902.02.52 provides a temporary duty reduction for the subject product from 6.5 percent ad valorem to 5.7 percent ad valorem that expires on December 31, 2009. The estimated customs revenue loss for 2009 is based on the difference between 5.7 percent ad valorem and the proposed rate of 4.2 percent ad valorem, a reduction of 1.5 percentage points.

2/ The estimated customs revenue loss for 2010-2013 is based on a temporary reduction of the general rate of duty from 6.5 percent ad valorem to 4.2 percent ad valorem, a reduction of 2.3 percentage points. 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)                                     |                      |                   |
| Bayer CropScience (Proponent)<br>William Hensley, 202-756-3781<br>Jean Reimers, 202-756-3779 | 04/18/2008     | No   | No                   | No                |
| Arkema Inc. (Atofina)<br>Charles Kitchen, Fax: 216-419-7075                                  | 04/18/2008     | No   | No                   | No                |
| BASF Corp.<br>Greg Thies, Fax: 703-255-7142  | 04/18/2008     | No   | No                   | No                |
| Chemtura Corporation<br>Matt Mattingley, Fax: 202-463-8498                                   | 04/18/2008     | No   | No                   | No                |
| CropLife America<br>Isi Siddiqui, Fax: 202-463-0474  | 04/18/2008     | No   | No                   | No                |
| Dow AgroSciences<br>Max Turnipseed, Fax: 225-338-0310<br>Lisa Schroeter, Fax: 202-429-3467   | 04/18/2008     | No   | No                   | No                |
| DuPont<br>Helen McMahon, Fax: 302-355-2994<br>Elaine Olsen, Fax: 302-774-1398                | 04/18/2008     | No   | No                   | No                |

| Name of firm/organization  | Date contacted | Claim US makes same or competing product(s)? | Submission attached? | Opposition noted? |
|--|----------------|--|----------------------|-------------------|
|  |                | (Yes/No)                                     |                      |                   |
| FMC Corp.<br>Jerry Prout, Fax: 202-956-5235<br>Steve Ziehm, 202-872-8181 | 04/18/2008     | No   | No                   | No                |
| Monsanto Corp.<br>Michael Parris, Fax: 202-789-1867                      | 04/18/2008     | No   | No                   | No                |
| Nufarm Limited<br>Joel R. Junker, Fax: 206-621-8220                      | 04/18/2008     | No   | No                   | No                |
| Syngenta Crop Protection, Inc.<br>Angus Kelly, Fax: 336-632-6084         | 04/18/2008     | No   | No                   | No                |
| Valent USA Corp.<br>Robin Demouth, Fax: 925-256-2776                     | 04/18/2008     | No   | No                   | No                |

**Technical comments:<sup>4</sup>**

The Commission staff notes that HTS heading 9902.02.52 provides a temporary duty reduction for the subject product that expires on December 31, 2009. That heading should be used to extend and modify the duty reduction by deleting “5.7%” and inserting “4.2%” in lieu thereof and by modifying the effective date. Also, the Commission staff suggests that the article description on page 1 of this report be used in HTS heading 9902.02.52 because it contains the preferred arrangement of the chemical name and the common name.

<sup>4</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.

110TH CONGRESS  
2D SESSION

# H. R. 5274

To reduce temporarily the duty on Imidacloprid Pesticides.

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IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 7, 2008

Mrs. CAPITO introduced the following bill; which was referred to the  
Committee on Ways and Means

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## A BILL

To reduce temporarily the duty on Imidacloprid Pesticides.

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. IMIDACLOPRID PESTICIDES.**

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:

|   |            |   |      |           |           |                         |    |
|---|------------|---|------|-----------|-----------|-------------------------|----|
| “ | 9902.01.00 | Products containing 1-[(6-Chloro-3-pyridiyl)methyl]-N-nitro-2-imidazolidinimine (CAS No. 138261-41-3) (provided for in subheading 3808.91.25) ..... | 4.2% | No change | No change | On or before 12/31/2011 | ”. |
|---|------------|---|------|-----------|-----------|-------------------------|----|

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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