

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: June 9, 2006]²

Bill No. and sponsor: S. 1652 (Mr. James M. Talent of Missouri).

Proponent name, location: BASF Corporation, Hannibal, MO.

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

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

Retroactive effect: None.

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

Methoxyacetic acid (CAS No. 625-45-6) (provided for in subheading 2918.90.50).

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:

Methoxyacetic acid is a synthetic organic chemical that is used as an intermediate in the production of herbicides for corn. The subject chemical is imported from China and Germany.

Estimated effect on customs revenue:

HTS subheading: <u>2918.90.50</u>					
	2006	2007	2008	2009	2010
Col. 1-General rate of duty					
Col. 1-General rate of duty	4.0%	4.0%	4.0%	4.0%	4.0%
Estimated value <i>dutiable</i> imports	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000
Customs revenue loss	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000

Source of estimated dutiable import data: Industry estimates.

¹ Industry analyst preparing report: Philip Stone (202-205-3424); 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.

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)		
BASF Corporation (Proponent) E. Thomas Coleman, 202-289-3900	04/03/2006	No	No	No
AtoFina Cerex Charles Kitchin, Fax: 703-527-2092	04/04/2006	No	No	No
Bayer CropScience Karen L. Niedermeyer, Fax: 412-777-4740 William Hensley, Fax: 202-737-8909	04/04/2006	No	No	No
Chem Services, Inc. Marketing Manager, Fax: 610-692-8729	04/04/2006	No	No	No
Crop Life America Lawrence Norton, Fax: 202-463-0474	04/04/2006	No	No	No
Dow Agro Science Lisa Schroeter, Fax: 202-429-3467	04/04/2006	No	No	No
DuPont Helen McMahon, Fax: 302-355-2994	04/04/2006	No	No	No
FMC Jerry Prout, Fax: 202-956-5235	04/04/2006	No	No	No
LANXESS Corporation Jamie B. Schaeffer, Fax: 412-809-3614	04/04/2006	No	No	No
Monsanto Corporation Michael Parrish, Fax: 202-789-1867	04/04/2006	No	No	No
Syngenta Mike Blythe, Fax: 336-632-6084	04/04/2006	No	No	No
Valent USA Robin Demouth, Fax: 925-256-2776	04/04/2006	No	No	No

Technical comments:³ None.

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

S. 1652

To suspend temporarily the duty on methoxyacetic acid.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 12, 2005

Mr. TALENT introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To suspend temporarily the duty on methoxyacetic acid.

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. METHOXYACETIC ACID.**

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:

“	9902.06.03	Methoxyacetic acid (CAS No. 625-45-6) (provided for in subheading 2918.90.50) ..	Free	No change	No change	On or before 12/31/2008	”.
---	------------	--	------	-----------	-----------	-------------------------	----

8 (b) EFFECTIVE DATE.—The amendment made by
9 subsection (a) applies to articles entered, or withdrawn

2

- 1 from warehouse for consumption, on or after the 15th day
- 2 after the date of the enactment of this Act.

○