

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 109<sup>th</sup> Congress<sup>1</sup>**

[Date approved: October 5, 2005]<sup>2</sup>

**Bill No. and sponsor:** H.R. 1918 (Mr. Mr. Kenny C. Hulshof of Missouri)

**Proponent name, location:** BASF Corporation, Florham Park, NJ 07932

**Other bills on product (109<sup>th</sup> 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)):**

Mixtures of 2-Amino-2,3-dimethylbutanenitrile (CAS No. 13893-53-3) and toluene (provided for in subheading 3824.90.91).

**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:**

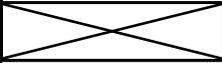
The subject product is a chemical intermediate used in the production of herbicides, primarily used with corn and soybeans.

This product is imported from Germany. Only small volumes are being imported at present. The proponent claims that Cytec Industries, which reportedly manufactures this product in the United States only for BASF Corporation, is discontinuing production in 2006. Therefore, the proponent is preparing to import all of its needs from Germany by late 2006.

<sup>1</sup> Industry analyst preparing report: Jeff Clark (202-205-3318); Tariff Affairs contact: David Michels (202-205-3440).

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

**Estimated effect on customs revenue:**

<b>HTS subheading: 3824.90.91</b>					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	5.0%	5.0%	5.0%	5.0%	5.0%
Estimated value <i>dutiable</i> imports	\$300,000	\$1,800,000	\$4,170,000	\$4,130,000	\$4,220,000
Customs revenue loss	\$15,000	\$90,000	\$208,500	\$206,500	\$211,000

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)		
BASF Corp. (proponent) Tom Coleman, 202-289-3900 Greg Thies, 202-904-2332 Ron Eva, 919-547-2112	8/16/2005 8/25/2005 8/29/2005	No	No	No
Bayer CropScience Will Hensley, 202-756-3781	8/16/2005	No	No	No
E. I. du Pont de Nemours and Company Elaine Olsen, 302-992-2263	8/16/2005	No	No	No
Monsanto Corp. Linda Strachan, 202-383-2849	8/16/2005	No	No	No
Syngenta Crop Protection Mike Blythe, 336-632-6000	8/16/2005	No	No	No
Valent BioSciences Corp. Robin Demouth, 925-256-2758	8/16/2005	No	No	No
Cytec Industries Gail Petersen, 973-357-3100	8/23/2005	Yes	No	No

**Technical comments:**<sup>3</sup>

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.

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<sup>3</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.

109TH CONGRESS  
1ST SESSION

# H. R. 1918

To suspend temporarily the duty on 80% 2,3-Dimethylbutylnitrile and 20% toluene.

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IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 2005

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

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## A BILL

To suspend temporarily the duty on 80% 2,3-Dimethylbutylnitrile and 20% toluene.

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. 80% 2,3-DIMETHYLBUTYLNITRILE AND 20% TOL-**

4 **UENE.**

5 (a) IN GENERAL.—Subchapter II of chapter 99 of  
6 the Harmonized Tariff Schedule of the United States is  
7 amended by inserting in numerical sequence the following  
8 new heading:

“	9902.05.63	80% 2,3-Dimethylbutylnitrile (CAS No. 13893-53-3) (provided for in subheading 3824.90.91) and 20% toluene .....	Free	No change	No change	On or before 12/31/2008	”.
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1           (b) EFFECTIVE DATE.—The amendment made by  
 2 subsection (a) applies to goods entered, or withdrawn from  
 3 warehouse for consumption, on or after the 15th day after  
 4 the date of enactment of this Act.

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