

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress ¹**

[Date approved: October 12, 2005]²

Bill No. and sponsor: H.R. 1963 (Mr. Richard H. Baker of Louisiana).

Proponent name, location: Syngenta Crop Protection, Greensboro, NC

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

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

Retroactive effect: None.

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

2-[4-(Methylsulfonyl)-2-nitrobenzoyl]-1,3-cyclohexanedione (Mesotrione) (CAS No. 104206-82-8)
(provided for in subheading 2930.90.10)

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:

2-[4-(Methylsulfonyl)-2-nitrobenzoyl]-1,3-cyclohexanedione (also known as Mesotrione) is a synthetic organic chemical that is the active ingredient used to manufacture broadleaf herbicides to control broadleaf weeds in corn. It is a member of a relatively new class of chemicals that provides an effective alternative to traditional herbicides currently used for broadleaf weed control. Mesotrione has a favorable toxicological and environmental profile and was registered by the EPA as a "reduced risk" product. Mesotrione will be used at the proponent's St. Gabriel, Louisiana plant. The chemical in question is imported from Switzerland.

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.

Estimated effect on customs revenue:

HTS subheading: 2930.90.10					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$106,000,000	\$106,700,000	\$117,400,000	\$128,100,000	\$138,000,000
Customs revenue loss ^{1/}	\$487,600	\$490,820	\$493,080	\$499,590	\$538,200

^{1/} The estimated customs revenue loss is based on a duty reduction from 6.5 percent ad valorem to 6.04 percent ad valorem in 2005-2006, to 6.08 percent ad valorem in 2007, and to 6.11 percent ad valorem in 2008-2009.

Source of estimated dutiable import data: Industry estimates and Commission 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)	
Syngenta (proponent) Dawn Stump Email: dawn.stump@syngenta.com	8/16/2005	No	No	No
Syngenta (proponent) Mike Blythe Fax: 336-632-6084	8/29/2005	No	No	No
AtoFina Cerexagri Charles Kitchin Fax: 703-527-2092	8/29/2005	No	No	No
BASF Corp. Greg Thies Fax: 202-558-5101	8/29/2005	No	No	No
Bayer CropScience Williams Hensley Fax: 202-628-6622	8/29/2005	No	No	No
Crop Life America Lawrence Norton Fax: 202-463-0474	8/29/2005	No	No	No
Dow Agro Science Lisa Schroeter Fax: 202-429-3467	8/29/2005	No	No	No

E.I. DuPont Nancy Johnson Fax: 202-728-3649	8/29/2005	No	No	No
E.I. DuPont Elaine Olson Fax: 302-892-7343	8/29/2005	No	No	No
E.I. DuPont Helen McMahon Fax: 302-774-1398	8/29/2005	No	No	No
FMC Corp. Jerry Prout Fax: 202-956-5235	8/29/2005	No	No	No
Monsanto Corp. Michael Parrish Fax: 202-789-1867	8/29/2005	No	No	No
Monsanto Corp. Linda Strachan Fax: 202-789-1867	8/29/2005	No	No	No
Valent USA Robin Demouth Fax: 925-256-2776	8/29/2005	No	No	No

Technical comments:³

The Commission suggests that the article description on page 1 of this report be used because it has the correct spelling of the chemical name.

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. 1963

To reduce temporarily the duty on Mesotrione Technical.

IN THE HOUSE OF REPRESENTATIVES

APRIL 28, 2005

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

A BILL

To reduce temporarily the duty on Mesotrione Technical.

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. MESOTRIONE TECHNICAL.**

4 (a) CALENDAR YEAR 2006.—

5 (1) IN GENERAL.—Subchapter II of chapter 99
6 of the Harmonized Tariff Schedule of the United
7 States is amended by inserting in numerical se-
8 quence the following:

“	9902.07.01	Mesotrione Technical - 1,3-cyclohexanedione,2-[4-(methylsulfonyl)-2-nitrobenzoyl]-1,3-cyclohexanedione (CAS No. 104206-82-8) (provided for in subheading 2930.90.10) ..	6.04%	No change	No change	On or before 12/31/2006	”.
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1 (2) EFFECTIVE DATE.—The amendment made
2 by paragraph (1) applies to goods entered, or with-
3 drawn from warehouse for consumption, on or after
4 the 15th day after the date of the enactment of this
5 Act.

6 (b) CALENDAR YEAR 2007.—

7 (1) IN GENERAL.—Heading 9902.07.01, as
8 added by subsection (a), is amended—

9 (A) by striking “6.04%” and inserting
10 “6.08%”; and

11 (B) by striking “12/31/2006” and insert-
12 ing “12/31/2007”.

13 (2) EFFECTIVE DATE.—The amendments made
14 by paragraph (1) shall take effect on January 1,
15 2007.

16 (c) CALENDAR YEAR 2008.—

17 (1) IN GENERAL.—Heading 9902.07.01, as
18 added by subsection (a) and amended by subsection
19 (b), is further amended—

20 (A) by striking “6.08%” and inserting
21 “6.11%”; and

22 (B) by striking “12/31/2007” and insert-
23 ing “12/31/2008”.

1 (2) EFFECTIVE DATE.—The amendments made
2 by paragraph (1) shall take effect on January 1,
3 2008.

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