MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress

[Date approved: May 12, 2006]

Bill No. and sponsor: H.R. 3241 (Mr. Steve Buyer of Indiana).

Proponent name, location: Dow Agrosciences LLC, Indianapolis, IN.

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


Retroactive effect: None.

Article description(s) (including appropriate HTS classification(s)):

α-Butyl-α-(4-chlorophenyl)-1H-1,2,4-triazole-1-propanenitrile (Myclobutanil) (CAS No. 88671–89–0) (provided for in subheading 2933.99.06).

Check one: ☒ Same as in the HTS heading(s) in the bill as introduced.
☐ Different from the HTS heading(s) in the bill (see Technical comments).

Product information, including uses/applications and source(s) of imports:

The subject product is a synthetic organic fungicide that is used on turf grass, grapes, vegetables, and tree fruit. The subject product is imported from Finland.

Estimated effect on customs revenue:

<table>
<thead>
<tr>
<th>HTS subheading: 2933.99.06</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
</tr>
<tr>
<td>Col. 1-General rate of duty</td>
</tr>
<tr>
<td>Estimated value dutiable imports</td>
</tr>
<tr>
<td>Customs revenue loss 1/</td>
</tr>
</tbody>
</table>

1/ The estimated Customs revenue loss is based on a reduction of the column 1-general rate of duty from 6.5 percent ad valorem to 3.0 percent ad valorem, a reduction of 3.5 percent. The estimated Customs revenue loss data for 2005 and 2006 reflect the existing duty reduction under HTS heading 9902.02.91 that expires on December 31, 2006.

Source of estimated dutiable import data: Industry estimates.

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

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

<table>
<thead>
<tr>
<th>Name of firm/organization</th>
<th>Date contacted</th>
<th>US production of same or competitive product claimed?</th>
<th>Submission attached?</th>
<th>Opposition noted?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dow Agrosciences LLC (Proponent) Max Turnipseed, 225-338-0310</td>
<td>9/12/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
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<tr>
<td>Atofina Cerex Charles Kitchin, Fax: 703-527-2092</td>
<td>9/12/2005</td>
<td>No</td>
<td>No</td>
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<tr>
<td>BASF Corp. Greg Thies, Fax: 202-558-5101</td>
<td>9/12/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
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<tr>
<td>Bayer CropScience Mike Gill, 202-508-8843</td>
<td>9/12/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
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<tr>
<td>Crop Life America Lawrence Norton, Fax: 202-463-0474</td>
<td>9/12/2005</td>
<td>No</td>
<td>No</td>
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<tr>
<td>DuPont Nancy Johnson, Fax: 202-728-3649</td>
<td>9/12/2005</td>
<td>No</td>
<td>No</td>
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<tr>
<td>FMC Corp. Jerry Prout, Fax: 202-956-5235</td>
<td>9/12/2005</td>
<td>No</td>
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<tr>
<td>LANXESS Corp. James Schaeffer, Fax: 412-809-3614</td>
<td>9/12/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
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<tr>
<td>Monsanto Corp. Michael Parrish, Fax: 202-789-1867</td>
<td>9/12/2005</td>
<td>No</td>
<td>No</td>
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<tr>
<td>Syngenta Mike Blythe, Fax: 336-632-6084</td>
<td>9/20/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
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<tr>
<td>Valent USA Robin Demouth, Fax: 925-256-2776</td>
<td>9/12/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>

Technical comments:³

The Commission suggests that HTS heading 9902.02.91 be amended to italicize the indicated hydrogen in the chemical name and to capitalize the common 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.
To reduce temporarily the duty on myclobutanil.

Be it enacted by the Senate and House of Representa-
tives of the United States of America in Congress assembled,

SECTION 1. MYCLOBUTANIL.

(a) In General.—Heading 9902.02.91 of the Har-
monized Tariff Schedule of the United States (relating to
myclobutanil) is amended—
(1) by striking “1.9%” and inserting “3.0%”; and
(2) by striking “12/31/2006” and inserting
“12/31/2008”.

(b) Effective Date.—The amendment made by
subsection (a) applies to goods entered, or withdrawn from
warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.