

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 110th Congress**¹

[Date approved: August 25, 2008]²

Bill No. and sponsor: H.R. 5282 (Mr. Mike Ferguson of New Jersey).

Proponent name,³ location: BASF Corporation, Florham Park, NJ.

Other bills on product (110th Congress only): None.

Nature of bill: Extension of temporary duty suspension through December 31, 2011.

Retroactive effect: None.

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

Lycopene 10 percent (CAS No. 502-65-8) (provided for in subheading 2106.90.95)

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 synthetic lycopene that is used in nutritional dietary supplement tablets and as a direct ingredient to fortify processed food and beverages. Lycopene is an antioxidant that slows down damage to human cells caused by aging and disease. Lycopene is naturally found in certain vegetables, especially tomatoes, and fruit, such as watermelon, pink grapefruit, and apricots. The subject product is imported principally from Canada⁴ and the European Union.

¹ Industry analyst preparing report: Mark Simone (202-205-2049); Tariff Affairs contact: David Michels (202-205-3440).

² Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tata/hts/other/rel_doc/bill_reports/.

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

⁴ Imports of the subject product from Canada may be eligible for duty-free access to the U.S. market under NAFTA.

Estimated effect on customs revenue:

HTS subheading: 2106.90.95					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty	10.0%	10.0%	10.0%	10.0%	10.0%
Estimated value <i>dutiable</i> imports	3,202,800	3,202,800	3,202,800	3,202,800	3,202,800
Customs revenue loss 1/	\$0	\$320,280	\$320,280	\$320,280	\$320,280

1/ There is an existing duty suspension under HTS heading 9902.24.41 that expires on December 31, 2009. Therefore, there will be no customs revenue loss related to this bill in 2009.

Source of estimated dutiable import data: Commission estimates based on Official U.S. Government statistics.

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) Dave Bushnell, 301-654-8316 Gregory Thies, 202-904-2332	04/30/2008	No	No	No

Technical comments:⁵

None.

⁵ 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. 5282

To extend the suspension of duty on Lycopene 10%.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 7, 2008

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

A BILL

To extend the suspension of duty on Lycopene 10%.

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. LYCOPENE 10%.**

4 (a) IN GENERAL.—Heading 9902.24.41 of the Har-
5 monized Tariff Schedule of the United States (relating to
6 Lycopene 10%) is amended by striking the date in the
7 effective period column and inserting “12/31/2011”.

8 (b) EFFECTIVE DATE.—The amendment made by
9 subsection (a) applies with respect to goods entered, or
10 withdrawn from warehouse for consumption, on or after
11 the 15th day after the date of the enactment of this Act.