

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 110th Congress¹**

[Date approved: October 6, 2008]²

Bill No. and sponsor: H.R. 5412 (Mr. Sanford D. Bishop, Jr. of Georgia).

Proponent name,³ location: BASF Corporation, Sparks, GA.

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

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

Retroactive effect: None.

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

4-[3-(4-Chlorophenyl)-3-(3,4-dimethoxyphenyl)-1-oxo-2-propenyl]morpholine (Dimethomorph) (CAS No. 110488-70-5) (provided for in subheading 2934.99.12).

Check one: ___ Same as that in bill as introduced.
 X Different from that in bill as introduced (see Technical comments section).

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

The subject synthetic organic chemical is the active ingredient in a fungicide that is used to treat specialty crops and turf. The product is imported from India and Brazil.⁴

Estimated effect on customs revenue:

HTS subheading: <u>2934.99.12</u>					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty					
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$976,511	\$976,511	\$976,511	\$976,511	\$976,511
Customs revenue loss	\$63,473	\$63,473	\$63,473	\$63,473	\$63,473

Source of estimated dutiable import data: U.S. industry estimates.

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

¹ Industry analyst preparing report: Robert Randall (202-205-3366); 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 India and Brazil are eligible for duty-free treatment under the Generalized System of Preferences.

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
BASF Corporation (Proponent) Gregory A. Thies, gregory.thies@basf.com	5/15/2008	No	No	No
Arkema Inc. Charles A. Kitchen, Fax: 215-419-7075	5/15/2008	No	No	No
Bayer CropScience William Hensley, Fax:202-737-8909	5/15/2008	No	No	No
CropLife America Isi Siddiqui, Fax: 202-463-0474	5/15/2008	No	No	No
Dow Chemical Co. Lisa Schroeter, Fax: 202-429-3467 Max Turnipseed, Fax: 225-383-0590	5/15/2008	No	No	No
DuPont Helen McMahon, Fax: 302-355-2994	5/15/2008	No	No	No
Emerald Performance Materials Tom Dirmyer, Fax: 330-315-6480	5/15/2008	No	No	No
FMC Jerry Prout, Fax: 202-956-5235	5/15/2008	No	No	No
Gowan Company Cindy Baker, Fax: 928-373-1822 George L. Rolofson, Fax: 336-854-2772	5/15/2008	No	No	No
MG Group Matt Mattingley, Fax: 703-670-9313	5/15/2008	No	No	No
Monsanto Corp. Grant Erdel, Fax: 202-789-1867	5/15/2008	No	No	No
Nufarm Limited Joel R. Junker, Fax: 206-621-8220	5/15/2008	No	No	No
Syngenta Crop Protection, Inc. Angus Kelly, Fax: 336-632-6084	5/15/2008	No	No	No
Valent USA Robin Demouth, Fax: 925-256-2776	5/15/2008	No	No	No

Technical comments:⁵

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.

The Commission staff suggests that the article description on page 1 of this report be used in the proposed new heading in order to capitalize “Chlorophenyl” and to include the common chemical name.

110TH CONGRESS
2D SESSION

H. R. 5412

To suspend temporarily the duty on 4-[3-(4-chlorophenyl)-3-(3,4-dimethoxyphenyl)-1-oxo-2-propenyl]morpholine.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 13, 2008

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

A BILL

To suspend temporarily the duty on 4-[3-(4-chlorophenyl)-3-(3,4-dimethoxyphenyl)-1-oxo-2-propenyl]morpholine.

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. 4-[3-(4-CHLOROPHENYL)-3-(3,4-**
4 **DIMETHOXYPHENYL)-1-OXO-2-PRO-**
5 **PENYL]MORPHOLINE.**

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

“	9902.01.00	4-[3-(4-chlorophenyl)-3-(3,4-dimethoxyphenyl)-1-oxo-2-propenyl]morpholine (CAS No. 110488-70-5) (provided for in subheading 2934.99.12)	Free	No change	No change	On or before 12/31/2011	”.
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1 (b) **EFFECTIVE DATE.**—The amendment made by
2 subsection (a) applies to articles entered, or withdrawn
3 from warehouse for consumption, on or after the 15th day
4 after the date of the enactment of this Act.

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