

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress¹**

[Date approved: August 26, 2005]²

Bill No. and sponsor: H.R. 1897 (Mr. Cleaver)

Proponent name, location: Bayer CropScience
Washington, D.C. 20004

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

Nature of bill: Renewal of temporary duty reduction through December 31, 2008. (See Technical comments)

Retroactive effect: None.

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

Heading 9902.03.38 is amended by striking "12/31/2006" and inserting "12/31/2008".

Check one: Same as that in bill as introduced
 Different from that in bill as introduced (explain differences in Technical comments section)

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

Flufenacet, the subject compound, is a chemical intermediate used in the production of herbicides for weed control.

Flufenacet is imported from Germany. There are no competing imports and no other known importers of the subject product.

There is no known production of this chemical in the United States.

¹ Industry analyst preparing report: Jeff Clark (202-205-3318); Tariff Affairs contact: David 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: 2924.29.71					
	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	\$7,180,000	\$7,180,000	\$7,180,000	\$7,180,000	\$7,180,000
Customs revenue loss <u>1/</u> <u>2/</u>	\$93,340	\$93,340	\$93,340	\$93,340	\$93,340

1/ Revenue loss for 2005 and 2006 results from a current suspension of duty per heading 9902.03.38.

2/ Revenue losses (1.3% of value of imports) result from a difference between the current duty rate of 6.5% and the proposed continued reduced rate of 5.2%.

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)		
Bayer CropScience (proponent) Will Hensley, 202-756-3781	7/12/2005	No	No	No
Dow AgroSciences Lisa Schroeder, 202-429-3400	7/12/2005	No	No	No
E. I. du Pont Elaine Olsen, 302-992-2263	7/12/2005	No	No	No
FMC Corp. Jerry Prout, 202-956-5200	7/12/2005	No	No	No
Monsanto Corp. Linda Strachan, 202-783-2460	7/12/2005	No	No	No
Syngenta Mike Blythe, 336-632-6000	7/12/2005	No	No	No

Technical comments:³ None.

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. 1897

To extend the temporary suspension of duty on Flufenacet (FOE Hydroxy).

IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 2005

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

A BILL

To extend the temporary suspension of duty on Flufenacet
(FOE Hydroxy).

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. FLUFENACET (FOE HYDROXY).**

4 (a) **IN GENERAL.**—Heading 9902.03.38 of the Har-
5 monized Tariff Schedule of the United States is amended
6 by striking “12/31/2006” and inserting “12/31/2008”.

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