

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 109<sup>th</sup> Congress<sup>1</sup>**

[Date approved: November 8, 2005]<sup>2</sup>

**Bill No. and sponsor:** H.R. 2506 (Mr. Jim McCrery of Louisiana).

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

**Other bills on product (109<sup>th</sup> Congress only):** H.R. 1907, H.R. 2252, and H.R. 2615.

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

**Retroactive effect:** None.

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

(3-Phenoxyphenyl)methyl-3-(2,2-dichloroethenyl)-2,2-dimethylcyclopropanecarboxylate (Permethrin)  
(CAS No. 52645-53-1) (provided for in subheading 2916.20.50).

**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:**

Permethrin is a synthetic organic chemical used as an insecticide to control pests on numerous crops and in other areas. Formulations with permethrin are used in the mosquito control market as well as the household market. The product is imported from China and India.

**Estimated effect on customs revenue:**

| HTS subheading: <u>2916.20.50</u>       |              |              |              |              |              |
|---|--------------|--------------|--------------|--------------|--------------|
|   | 2005         | 2006         | 2007         | 2008         | 2009         |
| <del>Col. 1-General rate of duty</del>  |              |              |              |              |              |
| Col. 1-General rate of duty             | 3.7%         | 3.7%         | 3.7%         | 3.7%         | 3.7%         |
| Estimated value <i>dutiable</i> imports | \$11,200,000 | \$11,200,000 | \$11,200,000 | \$11,200,000 | \$11,200,000 |
| Customs revenue loss                    | \$414,400    | \$414,400    | \$414,400    | \$414,400    | \$414,400    |

Source of estimated dutiable import data: Industry estimates.

<sup>1</sup> Industry analyst preparing report: Jeff Clark (202-205-3318); Tariff Affairs contact: David Michels (202-205-3440).

<sup>2</sup> Access to an electronic copy of this memorandum is available at [http://usitc.gov/tata/hts/other/rel\\_doc/bill\\_reports/index.htm](http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm).

**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? |
|--|------------------------|---|----------------------|-------------------|
|  |                        |   |                      |                   |
| BASF Corporation (Proponent)<br>Tom Coleman, 202-289-3900          | 9/13/2005              | No  | No                   | No                |
| Bayer CropScience<br>Jean Reimers, 202-756-3779                    | 9/13/2005<br>9/22/2005 | No  | No                   | No                |
| E. I. du Pont de Nemours and Company<br>Elaine Olsen, 302-992-2263 | 9/13/2005              | No  | No                   | No                |
| FMC Corp.<br>Jerry Prout, 202-956-5219                             | 9/13/2005              | No  | No                   | No                |
| Monsanto Corp.<br>Linda Strachan, 202-383-2849                     | 9/13/2005              | No  | No                   | No                |
| Syngenta Crop Protection<br>Mike Blythe, 336-632-6000              | 9/13/2005              | No  | No                   | No                |
| Valent BioSciences Corp.<br>Robin Demouth, 925-256-2758            | 9/13/2005              | No  | No                   | No                |

**Technical comments:<sup>3</sup>**

The Commission suggests that the article description on page 1 of this report be used in the proposed heading in order to provide the same nomenclature as on previously introduced bills. The Commission also notes that a single duty suspension should be enacted from the 4 bills, H.R. 1907, H.R. 2252, H.R. 2506, and H.R. 2615, that would provide a temporary duty suspension for the subject chemical.

<sup>3</sup> 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.

109<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 2506

To suspend temporarily the duty on Cyclopropanecarboxylic acid, 3-(2,2-Dichlorovinyl)-2,2-dimethyl-, 3-phenoxybenzyl ester, (+-)-,(cis,trans)-.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 19, 2005

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

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## A BILL

To suspend temporarily the duty on Cyclopropanecarboxylic acid, 3-(2,2-Dichlorovinyl)-2,2-dimethyl-, 3-phenoxybenzyl ester, (+-)-,(cis,trans)-.

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. CYCLOPROPANECARBOXYLIC ACID, 3-(2,2-**  
4 **DICHLOROVINYL)-2,2-DIMETHYL-, 3-**  
5 **PHENOXYBENZYL ESTER, (+-)-,(CIS,TRANS)-.**

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:

|   |            |   |      |           |           |                         |    |
|---|------------|---|------|-----------|-----------|-------------------------|----|
| “ | 9902.08.16 | Cyclopropanecarboxylic acid, 3-(2,2-Dichlorovinyl)-2,2-dimethyl-, 3-phenoxybenzyl ester, (+-), (cis,trans)- (CAS No. 52645-53-1) (provided in subheading 2916.20.50) .. | Free | No change | No change | On or before 12/31/2008 | ”. |
|---|------------|---|------|-----------|-----------|-------------------------|----|

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

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