#### UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

## MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110<sup>th</sup> Congress <sup>1</sup>

[Date approved: May 8, 2008]<sup>2</sup>

Bill No. and sponsor: H.R. 4532 (Mr. Jo Bonner of Alabama).

Proponent name,<sup>3</sup> location: DuPont, Wilmington, DE.

Other bills on product (110<sup>th</sup> Congress only): H.R. 4536 (Mr. Jo Bonner of Alabama).

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

Retroactive effect: None.

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

Mixtures of (4aS) -7-chloro-2, 5-dihydro-2- [[(methoxycarbonyl)[4-(trifluoromethoxy) phenyl]amino] carbonyl]-indeno[1,2-e]-[1,3,4] oxadiazine-4a (3H)-carboxylic acid methyl ester and inert ingredients (CAS No. 173584–44–6) (provided for in subheading 3808.91.25).

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 product is a synthetic, organic chemical that is used as a broad-spectrum insecticide on fruit trees, vegetables, and cotton. DuPont produces Indoxacarb in a foreign trade zone from intermediates imported from Japan, China, Germany, and France. The Indoxacarb is then combined with inert ingredients to make the subject product, a formulated, ready-to-use insecticide.

<sup>&</sup>lt;sup>1</sup> Industry analyst preparing report: Stephen Wanser (202-205-3363); Tariff Affairs contact: David G. Michels (202-205-3440).

<sup>&</sup>lt;sup>2</sup> Access to an electronic copy of this memorandum is available at <u>http://www.usitc.gov/tata/hts/other/rel\_doc/bill\_reports/.</u>

<sup>&</sup>lt;sup>3</sup> The sponsor/proponent did not identify any additional beneficiaries of this bill.

#### **Estimated effect on customs revenue:**

HTS subheading: <u>3808.91.25</u>							
$\searrow$	2009	2010	2011	2012	2013		
Col. 1-General rate of duty (AVE)	6.5%	6.5%	6.5%	6.5%	6.5%		
Estimated value <i>dutiable</i> imports	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000		
Customs revenue loss 1/	\$390,000	\$390,000	\$390,000	\$390,000	\$390,000		

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

## 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)		
DuPont (Proponent) Helen McMahon, Fax: 302-355-2994 Elaine Olsen, Fax: 302-774-1398	01/18/2008	No	No	No
Arkema Inc. (Atofina) Charles Kitchen, Fax: 216-419-7075	01/18/2008	No	No	No
Bayer CropScience William Hensley, 202-756-3781 Jean Reimers, 202-756-3779	01/18/2008	No	No	No
BASF Corp. Greg Thies, Fax: 703-255-7142	01/18/2008	No	No	No
Chemtura Corporation Matt Mattingley, Fax: 202-463-8498	01/18/2008	No	No	No
Crop Life America Isi Siddiqui, Fax: 202-463-0474	01/18/2008	No	No	No
Dow AgroSciences Max Turnipseed, Fax: 225-338-0310 Lisa Schroeter, Fax: 202-429-3467	01/18/2008	No	No	No
FMC Corp Jerry Prout, Fax: 202-956-5235 Steve Ziehm, 202-872-8181	01/18/2008	No	No	No
Monsanto Corp. Michael Parris, Fax: 202-789-1867	01/18/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Nufarm Limited Joel R. Junker, Fax: 206-621-8220	01/18/2008	No	No	No
Syngenta Crop Protection, Inc. Angus Kelly, Fax: 336-632-6084	01/18/2008	No	No	No
Valent USA Robin Demouth, Fax: 925-256-2776	01/18/2008	No	No	No

#### **Technical comments:**<sup>4</sup>

The Commission staff notes that H.R. 4532 and H.R. 4536 cover the same product. Only one bill should be enacted. The Commission staff notes that HTS heading 9902.01.46 had provided a temporary duty suspension for the subject product that expired on December 31, 2006. The Commission staff suggests that HTS heading 9902.01.46 be used to renew the duty suspension. The Commission staff also suggests that the article description of HTS heading 9902.01.46 be amended to use the article description on page 1 of this report in order to clarify the description.

<sup>&</sup>lt;sup>4</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.

# 110TH CONGRESS 1ST SESSION H.R. 4532

To suspend temporarily the duty on mixtures of indoxacarb (CAS#173584– 44-6) chemical name = (S)-methyl 7-chloro-2,5-dihydro-2-[[methoxycarbonyl)-[4-(trifluoromethoxy)phenyl]amino)carbonyl]indeno[1,2e][1,3,4]oxadiazine-4a-3(H)-carboxylate and inert ingredients.

### IN THE HOUSE OF REPRESENTATIVES

DECEMBER 13, 2007

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

# A BILL

- To suspend temporarily the duty on mixtures of indoxacarb (CAS#173584-44-6) chemical name = (S)-methyl 7chloro-2,5-dihydro-2-[[methoxycarbonyl)-[4-(trifluoromethoxy)phenyl]amino)carbonyl]indeno[1,2e][1,3,4]oxadiazine-4a-3(H)-carboxylate and inert ingredients.
  - 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. TEMPORARY SUSPENSION OF DUTY.

4 (a) IN GENERAL.—Subchapter II of chapter 99 of 5 the Harmonized Tariff Schedule of the United States is 1 amended by inserting in numerical sequence the following

## 2 new heading:

"	9902.30.	Mixtures of indoxacarb and					
		inert ingredients,					
		CAS#173584-44-6 (pro-					
		vided for in subheading					
		3808.91.2500)	Free	No change	No change	On or before	
				_	_	12/31/2011	".

3 (b) EFFECTIVE DATE.—The amendment made by
4 this section applies with respect to goods entered, or with5 drawn from warehouse for consumption, on or after the
6 15th day after the date of the enactment of this Act.

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