### 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: June 10, 2008]<sup>2</sup>

Bill No. and sponsor: H.R. 4809 (Mr. Kenny Hulshof of Missouri).

Proponent name,<sup>3</sup> location: BASF Corp., Research Triangle Park, NC.

Other bills on product (110<sup>th</sup> Congress only): None.

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

Retroactive effect: None.

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

5-Amino-1-[2,6-dichloro-4-(trifluoromethyl)phenyl]-4-[(1R,S)-(trifluoromethyl)-sulfinyl]-1H-pyrazole-3-carbonitrile (Fipronil) (CAS No. 120068-37-3) (provided for in subheading 2933.19.23).

Check one: X 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 used as an insecticide for corn and as a home insecticide against ants and termites. It is imported from France.

<sup>&</sup>lt;sup>1</sup> Industry analyst preparing report: Jack Greenblatt (202-205-3353); Tariff Affairs contact: David Michels (202-205-3440).

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

<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>2933.19.23</u>						
$\searrow$	2009	2010	2011	2012	2013	
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%	
Estimated value <i>dutiable</i> imports	\$39,936,594	\$39,936,594	\$39,936,594	\$39,936,594	\$39,936,594	
Customs revenue loss 1/2/	\$0	\$519,176	\$519,176	\$519,176	\$519,176	

<sup>1/</sup> There is an existing duty suspension under HTS heading 9902.24.16 that expires on December 31, 2009. This bill would increase the temporary applied rate of duty from "Free" to 5.2 percent ad valorem, an increase of 5.2 percentage points. Therefore, there will be a customs revenue gain of \$2,076,703 related to this bill for 2009.

#### 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 Corp. (Proponent) Greg Thies, Fax: 202-558-5101	04/16/2008	No	No	No
Arkema Charles Kitchen, Fax: 215-419-7075	04/21/2008	No	No	No
Bayer CropScience Will Hensley, Fax: 202-737-8909 Karen Niedermeyer, Fax: 412-777-4740	04/21/2008	No	No	No
CropLife America Lawrence Norton, Fax: 202-463-0474	04/21/2008	No	No	No
Dow AgroSciences Max Turnipseed, Fax: 225-383-0590	04/21/2008	No	No	No
DuPont Helen McMahon, Fax: 302-355-2994	04/21/2008	No	No	No
FMC Corp. Jerry Prout, Fax: 202-956-5235	04/21/2008	No	No	No
LANXESS Jamie Schaeffer, Fax: 412-809-3614	04/21/2008	No	No	No

<sup>&</sup>lt;u>2</u>/ The estimated customs revenue loss for 2010-2013 is based on a temporary reduction of the general rate of duty from 6.5 percent ad valorem to 5.2 percent ad valorem, a reduction of 1.3 percentage points Source of estimated dutiable import data: U.S. industry estimates.

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Monsanto Corp. Michael Parrish, Fax: 202-789-1867	04/21/2008	No	No	No
Syngenta Crop Protection, Inc. Angus Kelly, Fax: 202-347-8758	04/21/2008	No	No	No
Valent USA Robin Demouth, Fax: 925-256-2776	04/21/2008	No	No	No

Technical	comments:4

None.

<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

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## H. R. 4809

To extend the temporary suspension of duty on Fipronil.

#### IN THE HOUSE OF REPRESENTATIVES

DECEMBER 18, 2007

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

### A BILL

To extend the temporary suspension of duty on Fipronil.

1 Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, 3 **SECTION 1. FIPRONIL.** 4 (a) IN GENERAL.—Heading 9902.24.16 of the Harmonized Tariff Schedule of the United States is amend-6 ed— (1) by striking "Free" and inserting "5.2%"; 7 8 and (2) by striking "12/31/2009" and inserting 9 "12/31/2011". 10

(b) Effective Date.—The amendment made by

12 subsection (a) applies with respect to goods entered, or

- 1 withdrawn from warehouse for consumption, on or after
- 2 the 15th day after the date of the enactment of this Act.

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