MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110th Congress ¹

[Date approved: June 19, 2008]²

Bill No. and sponsor: H.R. 5006 (Mrs. Ellen O. Tauscher of California).

Proponent name,³ location: Valent U.S.A. Corp., Walnut Creek, CA.

Other bills on product (110th Congress only): H.R. 5063 (Mr. Joe Sestak of Pennsylvania).

Nature of bill: Extension of temporary duty reduction through December 31, 2011.

Retroactive effect: None.

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

O,*S*-Dimethyl acetylphosphoramidothioate (Acephate) (CAS No. 30560-19-1) (provided for in subheading 2930.90.43).

Check one:

 \underline{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, commonly known as acephate, is a member of the organophosphate class of insecticides. The product is imported from Japan and India.⁴

¹ Industry analyst preparing report: Stephen Wanser (202-205-3363); Tariff Affairs contact: David G. Michels (202-205-3440).

² Access to an electronic copy of this memorandum is available at <u>http://www.usitc.gov/tata/hts/other/rel_doc/bill_reports/</u>.

³ The sponsor/proponent did not identify any additional beneficiaries of this bill.

⁴ India is a designated beneficiary of the Generalized System of Preferences (GSP), and HTS subheading 2930.90.43 is an eligible product category for purposes of the GSP program. However, India is ineligible for duty-free treatment under HTS subheading 2930.90.43. See General Note 4(d) of the HTS (2008).

Estimated effect on customs revenue:

HTS subheading: <u>2930.90.43</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	\$18,230,000	\$18,230,000	\$18,230,000	\$18,230,000	\$18,230,000					
Customs revenue loss 1/ 2/	\$0	\$856,810	\$856,810	\$856,810	\$856,810					

1/ There is an existing duty reduction under HTS heading 9902.25.68 that expires on December 31, 2009. Therefore, there will be no customs revenue loss related to this bill in 2009.

2/ 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 1.8 percent ad valorem, a reduction of 4.7 percentage points. 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)		
Valent U.S.A. Corp. (Proponent) Robin Demouth, Fax: 925-256-2776	02/18/2008	No	No	No
Arkema Inc. (Atofina) Charles Kitchen, Fax: 216-419-7075	02/18/2008	No	No	No
BASF Corp. Greg Thies, Fax: 703-255-7142	02/18/2008	No	No	No
Bayer CropScience William Hensley, 202-756-3781 Jean Reimers, 202-756-3779	02/18/2008	No	No	No
Chemtura Corporation Matt Mattingley, Fax: 202-463-8498	02/18/2008	No	No	No
CropLife America Isi Siddiqui, Fax: 202-463-0474	02/18/2008	No	No	No
Dow AgroSciences Max Turnipseed, Fax: 225-338-0310 Lisa Schroeter, Fax: 202-429-3467	02/18/2008	No	No	No
DuPont Helen McMahon, Fax: 302-355-2994 Elaine Olsen, Fax: 302-774-1398	02/18/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?	
		(Yes/No)			
FMC Corp. Jerry Prout, Fax: 202-956-5235 Steve Ziehm, 202-872-8181	02/18/2008	No	No	No	
Monsanto Corp. Michael Parris, Fax: 202-789-1867	02/18/2008	No	No	No	
Nufarm Limited Joel R. Junker, Fax: 206-621-8220	02/18/2008	No	No	No	
Syngenta Crop Protection, Inc. Angus Kelly, Fax: 336-632-6084	02/18/2008	No	No	No	

Technical comments:⁵

The Commission staff notes that H.R. 5006 and H.R. 5063 each extend the temporary duty reduction that is provided for in HTS heading 9902.25.68. Only one bill should be enacted.

 $[\]overline{}^{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.

^{110TH CONGRESS} 2D SESSION H.R. 5006

To extend the temporary suspension of duty on Acephate.

Ι

IN THE HOUSE OF REPRESENTATIVES

JANUARY 16, 2008

Mrs. TAUSCHER introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To extend the temporary suspension of duty on Acephate.

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. ACEPHATE.

4 (a) IN GENERAL.—Heading 9902.25.68 of the Har5 monized Tariff Schedule of the United States is amended
6 by striking "12/31/2009" and inserting "12/31/2011".

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