MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110th Congress ¹

[Date approved: October 6, 2008]²

Bill No. and sponsor: H.R. 5408 (Mr. Sanford D. Bishop, Jr. of Georgia).

Proponent name,³ location: Chemtura Corporation, Middlebury, CT.

Other bills on product (110th Congress only): None.

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

Retroactive effect: None.

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

o-Paraquat dichloride (CAS No. 1910-42-5) (provided for in subheading 2933.39.23).

Check one:

____ Same as that in bill as introduced.

 \overline{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 used as a defoliant and desiccant herbicide for the control of weeds and grasses and as a harvest aid. The product is imported from Taiwan.

Estimated effect on customs revenue:

HTS subheading: <u>2933.39.23</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	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000				
Customs revenue loss <u>1</u> /	\$220,500	\$325,000	\$325,000	\$325,000	\$325,000				

1/ There is an existing duty reduction for this product under heading 9902.13.06 that expires on December 31, 2009. Therefore, the estimated revenue loss resulting from this bill in 2009 is based on the difference between the temporary reduced rate of 4.41 percent ad valorem and free, a reduction of 4.41 percentage points.

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

Contacts with domestic firms/organizations (including the proponent):

¹ Industry analyst preparing report: Robert Randall (202-205-3366); Tariff Affairs contact: David 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.

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
Chemtura Corporation (Proponent) Matt Mattingley, matt@mattingleygroup.com	5/30/2008	No	No	No
Arkema Inc. Charles A. Kitchen, Fax: 215-419-7075	5/30/2008	No	No	No
BASF Corp. Greg Thies, Fax: 202-558–5101	5/30/2008	No	No	No
Bayer CropScience William Hensley, Fax:202-737-8909	5/30/2008	No	No	No
CropLife America Isi Siddiqui, Fax: 202-463-0474	5/30/2008	No	No	No
Dow Chemical Co. Lisa Schroeter, Fax: 202-429-3467 Max Turnipseed, Fax: 225-383-0590	5/30/2008	No	No	No
DuPont Helen McMahon, Fax: 302-355-2994	5/30/2008	No	No	No
Emerald Performance Materials Tom Dirmyer, Fax: 330-315-6480	5/30/2008	No	No	No
FMC Jerry Prout, Fax: 202-956-5235	5/30/2008	No	No	No
Gowan Company Cindy Baker, Fax: 928-373-1822 George L. Rolofson, Fax: 336-854-2772	5/30/2008	No	No	No
Monsanto Corp. Grant Erdel, Fax: 202-789-1867	5/30/2008	No	No	No
Nufarm Limited Joel R. Junker, Fax: 206-621-8220	5/30/2008	No	No	No
Syngenta Crop Protection, Inc. Angus Kelly, Fax: 336-632-6084	5/30/2008	No	No	No
Valent USA Robin Demouth, Fax: 925-256-2776	5/30/2008	No	No	No

Technical comments:⁴

The Commission staff recommends that the article description of heading 9902.13.06 be modified as shown on page 1 of this report in order to provide the correct chemical name. In addition, the language of the bill should be modified by deleting "4.02%" in line 8 of section 1(a)(1) and inserting "4.41%" in lieu thereof, and by deleting "12/31/2007" in line 1 of section 1(a)(2) and inserting "12/31/2009" in lieu thereof.

⁴ 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. 5408

To extend the temporary suspension of duty on Paraquat dichloride (1,1'dimethyl-4,4'-bipyridinium dichloride).

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 13, 2008

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

A BILL

To extend the temporary suspension of duty on Paraquat dichloride (1,1'-dimethyl-4,4'-bipyridinium dichloride).

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. PARAQUAT DICHLORIDE (1,1'-DIMETHYL-4,4'-4 BIPYRIDINIUM DICHLORIDE).

5 (a) IN GENERAL.—Heading 9902.13.06 of the Har6 monized Tariff Schedule of the United States is amend7 ed—

8 (1) by striking "4.02%" and inserting "Free";9 and

1 (2) by striking "12/31/2007" and inserting 2 "12/31/2011".

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

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