

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 110th Congress¹**

[Date approved: July 29, 2008]²

Bill No. and sponsor: H.R. 5063 (Mr. Joe Sestak of Pennsylvania).

Proponent name,³ location: United Phosphorus, Inc., King of Prussia, PA.

Other bills on product (110th Congress only): H.R. 5006 (Mrs. Ellen O. Tauscher of California).

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: 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: 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 http://www.usitc.gov/tata/hts/other/rel_doc/bill_reports/.

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: 2930.90.43 | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|
| | 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) | |
| United Phosphorus, Inc. (Proponent) Jerry C. Hill, jhill@mwe.com | 5/15/2008 | No | No | No |
| Arkema Inc. Charles A. Kitchen, Fax: 215-419-7075 | 5/15/2008 | No | No | No |
| BASF Corp. Greg Thies, Fax: 202-558-5101 | 5/15/2008 | No | No | No |
| Bayer CropScience William Hensley, Fax: 202-737-8909 | 5/15/2008 | No | No | No |
| CropLife America Isi Siddiqui, Fax: 202-463-0474 | 5/15/2008 | No | No | No |
| Dow Chemical Co. Lisa Schroeter, Fax: 202-429-3467 Max Turnipseed, Fax: 225-383-0590 | 5/15/2008 | No | No | No |
| DuPont Helen McMahon, Fax: 302-355-2994 | 5/15/2008 | No | No | No |
| Emerald Performance Materials Tom Dirmyer, Fax: 330-315-6480 | 5/15/2008 | No | No | No |
| FMC Jerry Prout, Fax: 202-956-5235 | 5/15/2008 | No | No | No |

| Name of firm/organization | Date contacted | Claim US makes same or competing product(s)? | Submission attached? | Opposition noted? |
|--|----------------|--|----------------------|-------------------|
| | | | | |
| Gowan Company Cindy Baker, Fax: 928-373-1822 George L. Rolofson, Fax: 336-854-2772 | 5/15/2008 | No | No | No |
| MG Group Matt Mattingley, Fax: 703-670-9313 | 5/15/2008 | No | No | No |
| Monsanto Corp. Grant Erdel, Fax: 202-789-1867 | 5/15/2008 | No | No | No |
| Nufarm Limited Joel R. Junker, Fax: 206-621-8220 | 5/15/2008 | No | No | No |
| Syngenta Crop Protection, Inc. Angus Kelly, Fax: 336-632-6084 | 5/15/2008 | 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.

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. 5063

To extend the temporary suspension of duty on Acephate.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 17, 2008

Mr. SESTAK 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 Har-
5 monized Tariff Schedule of the United States (relating to
6 Acephate) is amended by striking “12/31/2009” and in-
7 serting “12/31/2011”.

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