

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: August 28, 2008]<sup>2</sup>

**Bill No. and sponsor:** H.R. 5274 (Mrs. Shelley Moore Capito of West Virginia).

**Proponent name,<sup>3</sup> location:** Bayer CropScience, Research Triangle Park, NC.

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

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

**Retroactive effect:** None.

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

Mixtures of 1-[(6-chloro-3-pyridinyl)methyl]-N-nitro-2-imidazolidinimine (Imidacloprid) (CAS No. 138261-41-3) with application adjuvants (provided for in subheading 3808.91.25).

**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 is a soil-applied insecticide that controls insects in a variety of fruit and vegetable crops, including grapes and potatoes. The product is imported from Germany.

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

<sup>2</sup> Access to an electronic copy of this memorandum is available at [http://www.usitc.gov/tata/hts/other/rel\\_doc/bill\\_reports/](http://www.usitc.gov/tata/hts/other/rel_doc/bill_reports/).

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

**Estimated effect on customs revenue:**

<b>HTS subheading: 3808.91.25</b>					
	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	\$21,375,000	\$21,375,000	\$21,375,000	\$21,375,000	\$21,375,000
Customs revenue loss 1/ 2/	\$320,625	\$491,625	\$491,625	\$491,625	\$491,625

1/ HTS heading 9902.02.52 provides a temporary duty reduction for the subject product from 6.5 percent ad valorem to 5.7 percent ad valorem that expires on December 31, 2009. The estimated customs revenue loss for 2009 is based on the difference between 5.7 percent ad valorem and the proposed rate of 4.2 percent ad valorem, a reduction of 1.5 percentage points.

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 4.2 percent ad valorem, a reduction of 2.3 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)		
Bayer CropScience (Proponent) William Hensley, 202-756-3781 Jean Reimers, 202-756-3779	04/18/2008	No	No	No
Arkema Inc. (Atofina) Charles Kitchen, Fax: 216-419-7075	04/18/2008	No	No	No
BASF Corp. Greg Thies, Fax: 703-255-7142	04/18/2008	No	No	No
Chemtura Corporation Matt Mattingley, Fax: 202-463-8498	04/18/2008	No	No	No
CropLife America Isi Siddiqui, Fax: 202-463-0474	04/18/2008	No	No	No
Dow AgroSciences Max Turnipseed, Fax: 225-338-0310 Lisa Schroeter, Fax: 202-429-3467	04/18/2008	No	No	No
DuPont Helen McMahon, Fax: 302-355-2994 Elaine Olsen, Fax: 302-774-1398	04/18/2008	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	04/18/2008	No	No	No
Monsanto Corp. Michael Parris, Fax: 202-789-1867	04/18/2008	No	No	No
Nufarm Limited Joel R. Junker, Fax: 206-621-8220	04/18/2008	No	No	No
Syngenta Crop Protection, Inc. Angus Kelly, Fax: 336-632-6084	04/18/2008	No	No	No
Valent USA Corp. Robin Demouth, Fax: 925-256-2776	04/18/2008	No	No	No

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

The Commission staff notes that HTS heading 9902.02.52 provides a temporary duty reduction for the subject product that expires on December 31, 2009. That heading should be used to extend and modify the duty reduction by deleting “5.7%” and inserting “4.2%” in lieu thereof and by modifying the effective date. Also, the Commission staff suggests that the article description on page 1 of this report be used in HTS heading 9902.02.52 because it contains the preferred arrangement of the chemical name and the common name.

<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  
2D SESSION

# H. R. 5274

To reduce temporarily the duty on Imidacloprid Pesticides.

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IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 7, 2008

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

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## A BILL

To reduce temporarily the duty on Imidacloprid Pesticides.

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. IMIDACLOPRID PESTICIDES.**

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

“	9902.01.00	Products containing 1-[(6-Chloro-3-pyridiyl)methyl]-N-nitro-2-imidazolidinimine (CAS No. 138261-41-3) (provided for in subheading 3808.91.25) .....	4.2%	No change	No change	On or before 12/31/2011	”.
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1       (b) EFFECTIVE DATE.—The amendment made by  
2 subsection (a) applies to articles entered, or withdrawn  
3 from warehouse for consumption, on or after the 15th day  
4 after the date of the enactment of this Act.

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