

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: June 19, 2008]²

Bill No. and sponsor: H.R. 5005 (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): None.

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)):

2-[7-Fluoro-3,4-dihydro-3-oxo-4-(2-propynyl)-2H-1,4-benzoxazin-6-yl]-4,5,6,7-tetrahydro-1H-isoindole-1,3(2H)-dione (Flumioxazin) (CAS No. 103361-09-7) (provided for in subheading 2934.99.15).

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 synthetic organic chemical that is the active ingredient in an herbicide that is used for weed control on peanuts and soybeans. The product is imported from Japan.

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

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

Estimated effect on customs revenue:

| HTS subheading: 2934.99.15 | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|
| | 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 | \$40,000,000 | \$40,000,000 | \$40,000,000 | \$40,000,000 | \$40,000,000 |
| Customs revenue loss 1/ 2/ | \$0 | \$480,000 | \$480,000 | \$480,000 | \$480,000 |

1/ There is an existing duty reduction under HTS heading 9902.25.69 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 5.3 percent ad valorem, a reduction of 1.2 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:⁴

None.

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
2^D SESSION

H. R. 5005

To extend the temporary suspension of duty on Flumioxasin.

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 Flumioxasin.

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. FLUMIOXASIN.**

4 (a) IN GENERAL.—Heading 9902.25.69 of the Har-
5 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.