### UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

# MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109<sup>th</sup> Congress <sup>1</sup>

[Date approved: October 24, 2006]<sup>2</sup>

**Bill No. and sponsor:** S. 3170 (Mr. Christopher S. Bond of Missouri).

**Proponent name, location:** BASF Corporation, Palmyra, MO.

Other bills on product (109th Congress only): None.

**Nature of bill:** Temporary duty suspension through December 31, 2009.

**Retroactive effect:** None.

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

4-Methylbenzonitrile (CAS No. 104–85–8) (provided for in subheading 2926.90.43).

Check one:	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 synthetic organic chemical, 4-methylbenzonitrile, is used by the proponent as an intermediate in the production of an insecticide, which controls caterpillars and beetles on cotton plants. BASF imports the subject product from Germany.

#### **Estimated effect on customs revenue:**

HTS subheading: <u>2926.90.43</u>							
$\bigvee$	2006	2007	2008	2009	2010		
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%		
Estimated value <i>dutiable</i> imports	\$82,000	\$82,000	\$180,000	\$170,000	\$170,000		
Customs revenue loss	\$5,330	\$5,330	\$11,700	\$11,050	\$11,050		

Source of estimated dutiable import data: Industry estimates.

<sup>&</sup>lt;sup>1</sup> Industry analyst preparing report: Philip Stone (202-205-3424); Tariff Affairs contact: David Michels (202-205-3440).

<sup>&</sup>lt;sup>2</sup> Access to an electronic copy of this memorandum is available at <a href="http://usitc.gov/tata/hts/other/rel\_doc/bill\_reports/index.htm">http://usitc.gov/tata/hts/other/rel\_doc/bill\_reports/index.htm</a>.

#### 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)	
BASF Corporation (Proponent) Greg Thies, Fax: 202-558-5101	07/19/2006	No	No	No
Bayer CropScience Williams Hensley, Fax: 202-737-8909 Karen L. Niedermeyer, Fax: 412-777-4740	07/19/2006	No	No	No
Crop Life America Lawrence Norton, Fax: 202-463-0474	07/19/2006	No	No	No
Dow AgroScience Max Turnipseed, Fax: 225-383-0590 Lisa Schroeter, Fax: 202-429-3467	07/19/2006	No	No	No
DuPont Helen McMahon, Fax: 302-355-2994	07/19/2006	No	No	No
FMC Jerry Prout, Fax: 202-956-5235	07/19/2006	No	No	No
LANXESS Corporation Jamie B. Schaeffer, Fax: 412-809-3614	07/19/2006	No	No	No
Monsanto Corporation Michael Parrish, Fax: 202-789-1867 Linda Strachan, Fax: 202-789-1867	07/19/2006	No	No	No
Syngenta Mike Blythe, Fax: 336-632-6084 Dawn Stomp, Fax: 202-347-7772	07/19/2006	No	No	No
Valent USA Robin Demouth, Fax: 925-256-2776	07/19/2006	No	No	No

**Technical comments:**<sup>3</sup> None.

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.

## S. 3170

To suspend temporarily the duty on 4-Methylbenzonitrile.

#### IN THE SENATE OF THE UNITED STATES

May 25, 2006

Mr. Bond introduced the following bill; which was read twice and referred to the Committee on Finance

### A BILL

To suspend temporarily the duty on 4-Methylbenzonitrile.

- 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. 4-METHYLBENZONITRILE.
- 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:

"	9902.29.24	4-Methylbenzonitrile (CAS No. 104–85–				
		8) (provided for in subheading 2926.90.43)	No change	No change	On or before	
					12/31/2009	".

- 8 (b) Effective Date.—The amendment made by
- 9 subsection (a) applies to goods entered, or withdrawn from

- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of the enactment of this Act.

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