

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: June 10, 2008]²

Bill No. and sponsor: H.R. 4787 (Mr. Thomas Reynolds of New York).

Proponent name,³ location: FMC Corporation, Middleport, NY.

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

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

Retroactive effect: None.

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

N-(Cyanomethyl)-4-(trifluoromethyl)-3-pyridinecarboxamide (Flonicamid) (CAS No. 158062-67-0) (provided for in subheading 2933.39.27) and any formulations containing such compound (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 synthetic organic chemical is an insecticide that is used to control insects on major crops such as cotton, potatoes, tomatoes, and leafy vegetables. Both the pure chemical and formulations thereof are imported from Japan.

¹ Industry analyst preparing report: Eric Land (202-205-3349); 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:

Total Estimated Revenue Loss for this Bill					
	2009	2010	2011	2012	2013
Customs revenue loss	\$416,000	\$497,250	\$497,250	\$497,250	\$497,250

HTS subheading: <u>2933.39.27</u>					
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Customs revenue loss 1/	\$0	\$16,250	\$16,250	\$16,250	\$16,250

1/ There is an existing duty suspension for the technical product under HTS heading 9902.24.57 that expires on December 31, 2009. Therefore, there will be no customs revenue loss for 2009 related to the extension of the duty suspension for the technical product.

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

HTS subheading: <u>3808.91.25</u>					
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$6,400,000	\$7,400,000	\$7,400,000	\$7,400,000	\$7,400,000
Customs revenue loss	\$416,000	\$481,000	\$481,000	\$481,000	\$481,000

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)		
FMC Corporation (Proponent) Jerry Prout, jerry_prout@fmc.com	03/10/2008	No	No	No
Arkema Charles Kitchen, charles.kitchen@arkema.com	03/18/2008	No	No	No
BASF Gregory Thies, gregory.thies@basf.com	03/18/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Bayer CropScience Mike Gill, mgill@crowell.com Karen Niedermeyer, karen.niedermeyer.b@bayer.com	03/18/2008	No	No	No
CropLife America Lawrence H. Norton, LNorton@wcsr.com	03/18/2008	No	No	No
Dow AgroSciences Max Turnipseed, mcint@cox.net	03/18/2008	No	No	No
DuPont Helen McMahan, Helen.C.McMahon@USA.dupont.com	03/18/2008	No	No	No
LANXESS Corp. Jamie Schaeffer, jamie.schaeffer@lanxess.com	03/18/2008	No	No	No
Valent USA Robin Demouth, Robin.Demouth@valent.com	03/18/2008	No	No	No

Technical comments:⁴

The Commission staff notes that HTS heading number 9902.24.57 does not appear in the proposed new heading. In the proposed new heading, “9902.24.57” should be inserted in lieu of “9902.____”. In addition, the subject formulation is not classified in subheading 3808.99.08. Therefore, in the proposed new article description, “(provided for in subheadings 3808.91.25 and 3808.99.08)” should be deleted and “(provided for in subheading 3808.91.25)” should be inserted 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
1ST SESSION

H. R. 4787

To suspend temporarily the duty on Flonicamid.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 18, 2007

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

A BILL

To suspend temporarily the duty on Flonicamid.

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. FLONICAMID.**

4 (a) IN GENERAL.—Subchapter II of chapter 99 of
5 the Harmonized Tariff Schedule of the United States is
6 amended by striking heading 9902.24.57 (relating to
7 Flonicamid) and inserting in numerical sequence the fol-
8 lowing new heading:

“	9902.____	N-(Cyanomethyl)-4-(trifluoromethyl)-3-pyridinecarboxamide (Flonicamid) (CAS No. 158062-67-0) (provided for in subheading 2933.39.27) and any formulations containing such compound (provided for in subheadings 3809.91.25 and 3808.99.08)	Free	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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