

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 110th Congress ¹**

[Date approved: October 6, 2008]²

Bill No. and sponsor: H.R. 5299 (Mr. Ray LaHood of Illinois).

Proponent name,³ location: FMC Corporation, Philadelphia, PA.

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

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

Retroactive effect: None.

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

2,3-Dihydro-2,2-dimethyl-7-hydroxybenzofuran (Carbofuran phenol) (CAS No. 1563-38-8) (provided for in subheading 2932.99.70).

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 chemical intermediate that is used to make agricultural insecticides. The product is imported from China.

Estimated effect on customs revenue:

HTS subheading: 2932.99.70					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
Customs revenue loss	\$325,000	\$325,000	\$325,000	\$325,000	\$325,000

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

¹ Industry analyst preparing report: Larry Johnson (202-205-3351); Tariff Affairs contact: Dave 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.

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, Fax: 202-956-5235	04/04/2008	No	No	No
Arkema Charles Kitchen, Fax: 215-419-7075	05/22/2008	No	No	No
BASF Corp. Greg Thies, 202-904-2332	05/22/2008	No	No	No
Bayer CropScience, LLP Mike Gill, 202-508-8843	05/22/2008	No	No	No
CropLife America Lawrence Norton, Fax: 202-463-0474	05/22/2008	No	No	No
Dow AgroSciences Max Turnipseed, Fax: 225-383-0590	05/22/2008	No	No	No
DuPont Elaine Olsen, Fax: 302-355-2994	05/22/2008	No	No	No
LANXESS Jamie Schaeffer, Fax: 412-809-3614	05/22/2008	No	No	No
Monsanto Corp. Michael Parrish, Fax: 202-789-1867	05/22/2008	No	No	No
Syngenta Crop Protection, Inc. Angus Kelly, Fax: 202-347-8758	05/22/2008	No	No	No
Valent USA Robin Demouth, Fax: 925-256-2776	05/22/2008	No	No	No

Technical comments:⁴

The Commission staff notes that, as reflected on page 1 of this report, the words “dimethyl” and “hydroxybenzofuran” should not be capitalized.

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
2D SESSION

H. R. 5299

To suspend temporarily the duty on 7-Hydroxy.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 7, 2008

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

A BILL

To suspend temporarily the duty on 7-Hydroxy.

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. 7-HYDROXY.**

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.____	2,3-Dihydro-2,2-Dimethyl-7-Hydroxybenzofuran (Carbofuran phenol) (CAS No. 1563-38-8) (provided for in subheading 2932.99.70)	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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