

(Pub. L. 109-304, §9(b), Oct. 6, 2006, 120 Stat. 1679.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
60310 .....	46 App.:125.	R.S. §4221.

The words “is exempt from tonnage taxes” are substituted for “no tonnage fees shall be charged” for consistency in the revised chapter. The words “and light money” are added for clarity and consistency. See 19 C.F.R. §4.21 (2003). The words “by the officers of the United States” are omitted as unnecessary.

§ 60311. Hospital vessels in time of war

In time of war, a hospital vessel is exempt from tonnage taxes, light money, and pilotage charges in the ports of the United States if the vessel is one for which the conditions of the international convention for the exemption of hospital ships from taxation in time of war, concluded at The Hague on December 21, 1904, are satisfied. The President by proclamation shall name the vessels for which the conditions are satisfied and state when the exemption begins and ends.

(Pub. L. 109-304, §9(b), Oct. 6, 2006, 120 Stat. 1679.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
60311 .....	46 App.:133. 46 App.:134.	Mar. 24, 1908, ch. 96, 35 Stat. 46.

The words “and possessions thereof” are omitted as unnecessary because of the definition of “United States” in chapter 1 of the revised title.

§ 60312. Rights under treaties preserved

This chapter and chapter 605 of this title do not affect a right or privilege of a foreign country relating to tonnage taxes or other duties on vessels under a law or treaty of the United States.

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HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
60312 .....	46 App.:121 (last sentence words before semicolon). 46 App.:135.	R.S. §4219 (last sentence words between 1st and last semicolons); Feb. 27, 1877, ch. 69, §1, 19 Stat. 250. R.S. §4227.

The words “This chapter and chapter 605 of this title” are substituted for “title 48 of the Revised Statutes” in 46 App. U.S.C. 135 because the provisions of title 48 of the Revised Statutes which are still alive and relate to tonnage or other duties on vessels are restated in these two chapters. Although these two chapters restate other provisions which are not from title 48 of the Revised Statutes, expansion of the reference to include those provisions is done for consistency.

CHAPTER 605—DISCRIMINATING DUTIES AND RECIPROCAL PRIVILEGES

- Sec. 60501. Vessels allowed to import.
- 60502. Discriminating duty on goods imported in foreign vessels or from contiguous countries.

- Sec. 60503. Reciprocal suspension of discriminating duties.
- 60504. Reciprocal privileges for recreational vessels.
- 60505. Retaliatory suspension of commercial privileges.
- 60506. Retaliation against British dominions of North America.
- 60507. Suspension of free passage through Saint Marys Falls Canal.

§ 60501. Vessels allowed to import

(a) IN GENERAL.—Except as otherwise provided by treaty, goods may be imported into the United States from a foreign port or place only in—

- (1) a vessel of the United States; or
- (2) a foreign vessel owned only by citizens or subjects of the country—
  - (A) in which the goods are grown, produced, or manufactured; or
  - (B) from which the goods can only be, or most usually are, first shipped for transportation.

(b) EXCEPTION FOR VESSELS OF COUNTRIES NOT MAINTAINING SIMILAR RESTRICTIONS.—Subsection (a) does not apply to a vessel of a foreign country that does not maintain a similar restriction against United States documented vessels.

(c) EXCEPTION FOR VESSELS BECOMING DOCUMENTED.—Subsection (a) does not apply to a vessel that—

- (1) is owned only by citizens of the United States; and
- (2) after entering a port of the United States, becomes documented as a vessel of the United States before leaving that port.

(d) SEIZURE AND FORFEITURE.—If goods are imported in violation of this section, the goods and the vessel in which they are imported, along with its equipment and other cargo, may be seized by and forfeited to the United States Government.

(Pub. L. 109-304, §9(b), Oct. 6, 2006, 120 Stat. 1679.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
60501(a) .....	19:130 (1st sentence).	Oct. 3, 1913, ch. 16, §IV(J)(2), (3), 38 Stat. 196; Mar. 15, 1915, ch. 171, §1, 38 Stat. 1193; Pub. L. 103-182, title VI, §689(a)(2), Dec. 8, 1993, 107 Stat. 2222.
60501(b) .....	19:131 (words before “nor”).	
60501(c) .....	19:131 (words beginning with “nor”).	
60501(d) .....	19:130 (last sentence related to 19:130).	

In this section, the word “goods” is substituted for “goods, wares, or merchandise” to eliminate unnecessary words.

In subsection (a)(2), before subparagraph (A), the words “owned only by” are substituted for “truly and wholly belong to” for consistency in the revised title.

In subsection (b), the words “or goods, wares, or merchandise imported in vessels” are omitted as unnecessary because of the wording of subsection (a) of the revised section. The word “restriction” is substituted for “regulation” as being more appropriate.

Subsection (d) is substituted for “All goods, wares, or merchandise imported contrary to this section or section 128 of this title, and the vessel wherein the same shall be imported, together with her cargo, tackle, ap-

parel, and furniture, shall be forfeited to the United States; and such goods, wares, or merchandise, ship, or vessel, and cargo shall be liable to be seized, prosecuted, and condemned in like manner, and under the same regulations, restrictions, and provisions as have been heretofore established for the recovery, collection, distribution, and remission of forfeitures to the United States by the several revenue laws” to eliminate unnecessary words.

**§ 60502. Discriminating duty on goods imported in foreign vessels or from contiguous countries**

(a) IMPOSITION OF DUTY.—A discriminating duty of 10 percent ad valorem (in addition to other duties imposed by law) is imposed on goods—

(1) imported in a vessel not of the United States unless the vessel—

(A) is entitled by law or treaty to enter the ports of the United States on payment of the same duties as are payable on goods imported in a vessel of the United States; or

(B)(i) is owned only by citizens of the United States; and

(ii) after entering a port of the United States, becomes documented as a vessel of the United States before leaving that port; or

(2) produced or manufactured in a foreign country not contiguous to the United States and imported from a country contiguous to the United States, unless imported in the usual course of strictly retail trade.

(b) SEIZURE AND FORFEITURE.—If goods are imported without payment of the duty required by this section, the goods and the vessel in which they are imported may be seized by, and forfeited to, the United States Government.

(Pub. L. 109–304, §9(b), Oct. 6, 2006, 120 Stat. 1680.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
60502(a) .....	19:128.	Oct. 3, 1913, ch. 16, §IV(J)(1), 38 Stat. 196; Mar. 15, 1915, ch. 171, §1, 38 Stat. 1193; Pub. L. 103–182, title VI, §689(a)(1), Dec. 8, 1993, 107 Stat. 2222.
60502(b) .....	46 App.:146. 19:130 (last sentence related to 19:128).	Oct. 3, 1913, ch. 16, §IV(J)(2), 38 Stat. 196.

In this section, the word “goods” is substituted for “goods, wares, or merchandise” to eliminate unnecessary words.

In subsection (a)(1), subparagraphs (A) and (B) are substituted for “but this discriminating duty shall not apply to goods, wares, or merchandise which shall be imported in vessels not of the United States entitled at the time of such importation by treaty or convention or Act of Congress to be entered in the ports of the United States on payment of the same duties as shall then be payable on goods, wares, and merchandise imported in vessels of the United States, nor to goods, wares, and merchandise imported in a vessel owned by citizens of the United States but not a vessel of the United States if such vessel after entering an American port shall, before leaving the same, be documented under chapter 121 of title 46” to eliminate unnecessary words.

Subsection (a)(2) is substituted for “or which being the production or manufacture of any foreign country not contiguous to the United States, shall come into

the United States from such contiguous country” and “but this discriminating duty shall not apply . . . nor to such products or manufactures as shall be imported from such contiguous countries in the usual course of strictly retail trade” to eliminate unnecessary words.

Subsection (b) is substituted for the source provision for consistency with section 60501(d) and to eliminate unnecessary words. See note for section 60501(d) in this report.

**§ 60503. Reciprocal suspension of discriminating duties**

(a) GENERAL AUTHORITY.—On receiving satisfactory proof from the government of a foreign country that it has suspended, in any part, the imposition of discriminating duties for any class of vessels owned by citizens of the United States or goods imported in those vessels, the President may proclaim a reciprocal suspension of discriminating duties for the same class of vessels owned by citizens of that country or goods imported in those vessels.

(b) EFFECTIVE AND EXPIRATION DATES.—A suspension under this section takes effect retroactively from the date the President received the proof from the foreign government, and expires when that government stops granting the reciprocal suspension.

(Pub. L. 109–304, §9(b), Oct. 6, 2006, 120 Stat. 1680.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
60503 .....	46 App.:141.	R.S. § 4228; July 24, 1897, ch. 13, 30 Stat. 214.

In this section, the word “goods” is substituted for “produce, manufactures, or merchandise”, “merchandise”, and “cargoes” for consistency in the chapter. Other changes are made to eliminate unnecessary words.

**§ 60504. Reciprocal privileges for recreational vessels**

When the President is satisfied that yachts owned by residents of the United States and used only for pleasure are allowed to arrive at, depart from, and cruise in the waters of a foreign port without entering, clearing, or paying any duties or fees (including cruising license fees), the Secretary of Homeland Security may allow yachts from that foreign port used only for pleasure to arrive at and depart from the ports of the United States and to cruise in the waters of the United States without paying any duties or fees. However, the Secretary may require foreign yachts to obtain a license to cruise in the waters of the United States. The license shall be in the form prescribed by the Secretary and contain limitations about length of time, direction, place of cruising and action, and other matters the Secretary considers appropriate. The license shall be issued without cost to the yacht.

(Pub. L. 109–304, §9(b), Oct. 6, 2006, 120 Stat. 1680.)