

desirable for use by the United States Government in case of war or national emergency; or

(II) constructed to replace a vessel bought or requisitioned by the Government; and

(B) a vessel reconstructed or reconditioned for use only on the Great Lakes, including the Saint Lawrence River and Gulf, if the Secretary finds that the reconstruction or reconditioning will promote the objectives of this subtitle.

(b) **ADDITIONAL TAX-RELATED TERMS.**—Other terms used in this chapter have the same meaning as in chapter 1 of the Internal Revenue Code of 1986 (26 U.S.C. ch. 1).

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1587.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
53301(a)(1) ..	46 App.:1161(n).	June 29, 1936, ch. 858, title V, §511(n), as added Dec. 23, 1944, ch. 714, §2, 58 Stat. 920; Pub. L. 97-31, §12(92)(A), Aug. 6, 1981, 95 Stat. 161.
53301(a)(2)(A).	46 App.:1161(a).	June 29, 1936, ch. 858, title V, §511(a), as added Oct. 10, 1940, ch. 849, 54 Stat. 1106; Pub. L. 97-31, §12(92)(A), Aug. 6, 1981, 95 Stat. 161.
53301(a)(2)(B).	46 App.:1161(o).	June 29, 1936, ch. 858, title V, §511(o), as added July 17, 1952, ch. 939, §14, 66 Stat. 764; Pub. L. 97-31, §12(92)(A), Aug. 6, 1981, 95 Stat. 161.
53301(b) .....	46 App.:1161(m).	June 29, 1936, ch. 858, title V, §511(m), as added Oct. 10, 1940, ch. 849, 54 Stat. 1108.

In subsection (a)(2)(A)(i), the words “constructed with a construction-differential subsidy under title V of the Merchant Marine Act, 1936, or constructed with financing or a financing guarantee under chapter 537 or 575 of this title” are substituted for “the construction of which has been financed under subchapters V or VII of this chapter, or the construction of which has been aided by a mortgage insured under subchapter XI of this chapter” because of the reorganization of the material and the omission from the revised title of the provisions relating to the construction-differential subsidy program.

Subsection (a)(2)(B) is substituted for the source provision to state more directly that a vessel described in the source provision is a new vessel for purposes of this chapter.

REFERENCES IN TEXT

The Merchant Marine Act, 1936, referred to in subsec. (a)(2)(A)(i), is act June 29, 1936, ch. 858, 49 Stat. 1985. Title V of the Act enacted provisions set out as notes under section 53101 of this title. For complete classification of this Act to the Code, see Short Title of 1936 Amendment note set out under section 101 of this title and Tables.

**§ 53302. Authority for construction reserve funds**

(a) **GENERAL AUTHORITY.**—An eligible person under section 53303 of this title may establish a construction reserve fund for the construction, reconstruction, reconditioning, or acquisition of a new vessel or for other purposes authorized by this chapter.

(b) **APPLICATION OF CERTAIN LAWS AND REGULATIONS.**—The fund shall be established, main-

tained, expended, and used as provided by this chapter and regulations prescribed jointly by the Secretary of Transportation and the Secretary of the Treasury.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1587.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
53302(a) .....	46 App.:1161(b) (1st sentence words before 6th comma and between 10th and 16th commas).	June 29, 1936, ch. 858, title V, §511(b) (1st sentence words before 6th comma and between 10th and 16th commas, last sentence), as added Oct. 10, 1940, ch. 849, 54 Stat. 1106; June 17, 1943, ch. 130, subdiv. (a), 57 Stat. 157; July 17, 1952, ch. 939, §9, 66 Stat. 762; Pub. L. 97-31, §12(92)(A), Aug. 6, 1981, 95 Stat. 161.
53302(b) .....	46 App.:1161(b) (last sentence).	

In subsection (a), the words “necessary to carrying out the policy set forth in section 1101 of this Appendix” are omitted as unnecessary.

**§ 53303. Persons eligible to establish funds**

A construction reserve fund may be established by a citizen of the United States that—

(1) is operating a vessel in the foreign or domestic commerce of the United States or in the fisheries;

(2) owns, in whole or in part, a vessel being operated in the foreign or domestic commerce of the United States or in the fisheries;

(3) was operating a vessel in the foreign or domestic commerce of the United States or in the fisheries when it was bought or requisitioned by the United States Government;

(4) owned, in whole or in part, a vessel being operated in the foreign or domestic commerce of the United States or in the fisheries when it was bought or requisitioned by the Government; or

(5) had acquired or was having constructed a vessel to operate in the foreign or domestic commerce of the United States or in the fisheries when it was bought or requisitioned by the Government.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1587.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
53303 .....	46 App.:1161(b) (1st sentence words between 6th and 10th commas).	June 29, 1936, ch. 858, title V, §511(b) (1st sentence words between 6th and 10th commas), as added Oct. 10, 1940, ch. 849, 54 Stat. 1106; June 17, 1943, ch. 130, subdiv. (a), 57 Stat. 157; July 17, 1952, ch. 939, §9, 66 Stat. 762.

**§ 53304. Vessel ownership**

In this chapter, a vessel is deemed to be constructed or acquired by a taxpayer if constructed or acquired by a corporation when the taxpayer owns at least 95 percent of each class of stock of the corporation.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1588.)