

In subsection (b), the words “heretofore or hereafter”, “diminish or otherwise”, and “and, to the amount of such obligation or expenditure, diminish” are omitted as unnecessary.

**§ 57108. Consideration of ballast and equipment in determining selling price**

The Maritime Administration may not sell a vessel until its ballast and equipment have been inventoried and their value considered in determining the selling price of the vessel.

(Pub. L. 109–304, §8(c), Oct. 6, 2006, 120 Stat. 1661.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
57108 .....	46 App.:864b.	June 29, 1949, ch. 281, §1 (proviso), 63 Stat. 349; Pub. L. 97–31, §12(36), Aug. 6, 1981, 95 Stat. 156.

**§ 57109. Operation of vessels purchased, chartered, or leased from Secretary of Transportation**

Unless otherwise authorized by the Secretary of Transportation, a vessel purchased, chartered, or leased from the Secretary may be operated only under a certificate of documentation with a registry or coastwise endorsement. Such a vessel, while employed solely as a merchant vessel, is subject to the laws, regulations, and liabilities governing merchant vessels, whether the United States Government has an interest in the vessel as an owner or holds a mortgage, lien, or other interest.

(Pub. L. 109–304, §8(c), Oct. 6, 2006, 120 Stat. 1661.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
57109 .....	46 App.:808(b).	Sept. 7, 1916, ch. 451, §9(b), 39 Stat. 730; July 15, 1918, ch. 152, §3, 40 Stat. 900; re-stated June 5, 1920, ch. 250, §18, 41 Stat. 994; Ex. Ord. No. 6166, §12, eff. June 10, 1933; June 29, 1936, ch. 858, title II, §204, title IX, §904, 49 Stat. 1987, 2016; Pub. L. 97–31, §12(26), Aug. 6, 1981, 95 Stat. 155; Pub. L. 100–710, title I, §104(b)(2), Nov. 23, 1988, 102 Stat. 4750.

The words “only under a certificate of documentation with a registry or coastwise endorsement” are substituted for “only under such registry or enrollment and license” for clarity and to use the appropriate current language.

**CHAPTER 573—VESSEL TRADE-IN PROGRAM**

- Sec.
- 57301. Definitions.
- 57302. Authority to acquire vessels.
- 57303. Utility value and tonnage requirements.
- 57304. Eligible acquisition dates.
- 57305. Determination of trade-in allowance.
- 57306. Payment of trade-in allowance.
- 57307. Recognition of gain for tax purposes.
- 57308. Use of vessels at least 25 years old.

**§ 57301. Definitions**

In this chapter:

- (1) NEW VESSEL.—The term “new vessel” means a vessel—

(A) constructed under this subtitle and acquired within 2 years after the date of completion; or

(B) constructed in a domestic shipyard on private account and not under this subtitle, and documented under the laws of the United States.

(2) OBSOLETE VESSEL.—The term “obsolete vessel” means a vessel that—

(A) is of at least 1,350 gross tons;

(B) the Secretary of Transportation believes should, because of its age, obsolescence, or other reasons, be replaced in the public interest; and

(C) has been owned by a citizen of the United States for at least 3 years immediately before its acquisition under this chapter.

(Pub. L. 109–304, §8(c), Oct. 6, 2006, 120 Stat. 1662.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
57301 .....	46 App.:1160(a).	June 29, 1936, ch. 858, title V, §510(a), as added Aug. 4, 1939, ch. 417, §7, 53 Stat. 1183; July 17, 1952, ch. 939, §7, 66 Stat. 762; Pub. L. 85–332, Feb. 20, 1958, 72 Stat. 17; Pub. L. 87–755, Oct. 5, 1962, 76 Stat. 751; Pub. L. 91–469, §12(a), Oct. 21, 1970, 84 Stat. 1022; Pub. L. 97–31, §12(91), Aug. 6, 1981, 95 Stat. 161.

In paragraph (1)(A), the words “or is purchased under section 1204 of this Appendix, as amended, by the person turning in an obsolete vessel under this section” are omitted because the purchase authority under 46 App. U.S.C. 1204 was impliedly repealed by section 14 of the Merchant Ship Sales Act of 1946 (50 App. U.S.C. 1735 note).

**§ 57302. Authority to acquire vessels**

To promote the construction of new, safe, and efficient vessels to carry the domestic and foreign waterborne commerce of the United States, the Secretary of Transportation may acquire an obsolete vessel in exchange for an allowance of credit toward the cost of construction or purchase of a new vessel as provided in this chapter.

(Pub. L. 109–304, §8(c), Oct. 6, 2006, 120 Stat. 1662.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
57302 .....	46 App.:1160(b) (1st, last sentences).	June 29, 1936, ch. 858, title V, §510(b) (1st, last sentences), as added Aug. 4, 1939, ch. 417, §7, 53 Stat. 1184; Pub. L. 87–401, subd. (1), Oct. 5, 1961, 75 Stat. 833; Pub. L. 91–469, §35(a), Oct. 21, 1970, 84 Stat. 1035; Pub. L. 97–31, §12(91), Aug. 6, 1981, 95 Stat. 161.

The words “toward the cost of construction or purchase of a new vessel” are added for clarity. The text of 46 App. U.S.C. 1160(b) (last sentence) is omitted as obsolete.

**§ 57303. Utility value and tonnage requirements**

(a) UTILITY VALUE.—The utility value of a new vessel to be acquired under this chapter for op-