

when the vessel is transferred to the Secretary of Transportation in exchange for a trade-in allowance under this chapter. The basis of the new vessel acquired with the allowance is the same as the basis of the obsolete vessel—

- (1) increased by the difference between the cost of the new vessel and the trade-in allowance of the obsolete vessel; and
- (2) decreased by the amount of loss recognized on the transfer.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1663.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
57307	46 App.:1160(e).	June 29, 1936, ch. 858, title V, §510(e), as added Aug. 4, 1939, ch. 417, §7, 53 Stat. 1184; Pub. L. 97-31, §12(91), Aug. 6, 1981, 95 Stat. 161.

The words “for gain or loss upon a sale or exchange and for depreciation under the applicable Federal income-tax laws” and “or vessels exchanged for credit upon the acquisition of such new vessel” are omitted as unnecessary. In paragraph (1), the words “the difference between the cost of the new vessel and the trade-in allowance of the obsolete vessel” are substituted for “the amount of the cost of such vessel (other than the cost represented by such obsolete vessel or vessels)” for clarity.

§ 57308. Use of vessels at least 25 years old

An obsolete vessel acquired under this chapter that is or becomes at least 25 years old may not be used for commercial operation. However, the vessel may be used—

- (1) during a period in which vessels may be requisitioned under chapter 563 of this title; or
- (2) except as otherwise provided in this subtitle, on trade routes serving only the foreign trade of the United States.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1664.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
57308	46 App.:1160(g).	June 29, 1936, ch. 858, title V, §510(g), as added Aug. 4, 1939, ch. 417, §7, 53 Stat. 1185; Pub. L. 86-518, §1, June 12, 1960, 74 Stat. 216; Pub. L. 97-31, §12(91), Aug. 6, 1981, 95 Stat. 161.

The words “and vessels presently in the Secretary’s laid-up fleet which are or become twenty-five years old or more” and “or any such vessel in the laid-up fleet” are omitted as obsolete. In paragraph (2), the words “for the employment of the Secretary’s vessels in steamship lines” are omitted as unnecessary.

CHAPTER 575—CONSTRUCTION, CHARTER, AND SALE OF VESSELS

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SUBCHAPTER II—CHARTERS

- 57511. Demise charters.
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AMENDMENTS

2018—Pub. L. 115-232, div. C, title XXXV, §3546(t), Aug. 13, 2018, 132 Stat. 2327, inserted period at end of item 57533.

2016—Pub. L. 114-120, title III, §313(c)(2), Feb. 8, 2016, 130 Stat. 59, added item 57522.

2008—Pub. L. 110-181, div. C, title XXXV, §3511(b), Jan. 28, 2008, 122 Stat. 594, added item 57533.

SUBCHAPTER I—GENERAL

§ 57501. Completion of long-range program

Whenever the Secretary of Transportation determines that the objectives and policies declared in sections 50101 and 50102 of this title cannot be fully realized within a reasonable time under title V of the Merchant Marine Act, 1936, and the President approves the determination, the Secretary, in accordance with this chapter, shall complete the long-range program described in section 50102 of this title.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1664; Pub. L. 114-120, title III, §313(b)(1), Feb. 8, 2016, 130 Stat. 58.)

HISTORICAL AND REVISION NOTES

<i>Revised Section</i>	<i>Source (U.S. Code)</i>	<i>Source (Statutes at Large)</i>
57501	46 App.:1191.	June 29, 1936, ch. 858, title VII, §701, 49 Stat. 2008; Pub. L. 97-31, §12(103), Aug. 6, 1981, 95 Stat. 162.

The words “find and”, “finding and”, “in whole or in part”, and “previously adopted” are omitted as unnecessary. The word “shall” is substituted for “is authorized and directed to” to eliminate unnecessary words.

REFERENCES IN TEXT

The Merchant Marine Act, 1936, referred to in text, is act June 29, 1936, ch. 858, 49 Stat. 1985. Title V of the Act enacted provisions set out as a note 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.

AMENDMENTS

2016—Pub. L. 114-120 substituted “title V” for “titles V and VI”.

§ 57502. Construction, reconditioning, and remodeling of vessels

(a) IN GENERAL.—The Secretary of Transportation may have new vessels constructed, and