

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

| <i>Revised Section</i> | <i>Source (U.S. Code)</i>                                 | <i>Source (Statutes at Large)</i>  |
|------------------------|---|--|
| 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.<br>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

| <i>Revised Section</i> | <i>Source (U.S. Code)</i> | <i>Source (Statutes at Large)</i>                 |
|------------------------|---------------------------|---|
| 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.)