

DEPARTMENT OF THE TREASURY**Customs Service**

[T.D. 96-69]

Announcement of Collection of Special Tonnage Taxes and Light Money Upon Entry Into the United States of Vessels of Ukraine

AGENCY: U.S. Customs Service,
Department of the Treasury.

ACTION: General notice.

SUMMARY: This notice announces that the United States has determined that the Government of Ukraine is discriminating against vessels of the United States in the collection of certain fees and taxes from such vessels which enter that country. As a consequence, it has become necessary to discontinue the exemption from the collection of special tonnage taxes and light money enjoyed by vessels of Ukraine upon entering United States ports.

EFFECTIVE DATE: The change established by this notice will commence September 26, 1996.

FOR FURTHER INFORMATION CONTACT:
Larry L. Burton, Office of Regulations
and Rulings (202) 482-7040.

SUPPLEMENTARY INFORMATION:**Background**

Generally, the United States imposes regular and special tonnage taxes, and a duty of a specified amount per ton denominated "light money", on all foreign vessels which enter United States ports (46 U.S.C. App. 121 and

128). Vessels of a foreign nation may, however, be exempted from the payment of such special tonnage taxes and light money upon presentation of satisfactory proof that no discriminatory duties of tonnage or impost are imposed by that foreign nation on United States vessels or their cargoes (46 U.S.C. App. 141). The list of nations whose vessels have been found to be reciprocally exempt from the payment of any higher tonnage duties than are applicable to vessels of the United States and from the payment of light money is found at § 4.22, Customs Regulations (19 CFR 4.22). Nations granted these commercial privileges that subsequently impose discriminatory duties are subject to retaliatory suspension of the commercial privileges (46 U.S.C. App. 141 and 142).

The list of countries in 19 CFR 4.22 is compiled as the result of international agreements between the United States and the governments of those nations listed. Customs either adds or deletes the names of countries only upon the request of the Department of State. The present list includes the former Union of Soviet Socialist Republics (USSR) and, following the dissolution of that country, Customs was guided by a policy determination of the Department of State which holds that absent a separate agreement to the contrary, the states emerging from the break-up of the USSR take the same rights and obligations as existed for the USSR.

By a letter received on September 16, 1996, Customs was informed by the Department of State that the

Government of Ukraine is presently assessing discriminatory tonnage fees against vessels of the United States which enter at Ukrainian ports. As a consequence, the Department of State has requested that action be taken to end the exemption from the assessment of special tonnage taxes and light money presently extended to Ukrainian vessels entering United States ports. Normally, Customs would be supplied with the names of countries to add to or delete from the regulatory list, but since discussion with other former Soviet states is on-going, it has been determined to issue this non-amendatory notice at this time to limit the exemption privilege by excluding Ukraine. The Department of State informs Customs that upon the conclusion of present discussions, Customs will be formally requested to add the names of certain countries to 19 CFR 4.22, and to delete the USSR from the regulation.

Therefore, effective immediately upon publication of this General Notice, vessels of Ukraine entering ports of the United States are no longer exempted from the assessment of special tonnage taxes and light money. Special tonnage taxes and light money in the amounts authorized under law will be collected on all such vessels.

Dated: September 20, 1996.

Stuart P. Seidel,

*Assistant Commissioner, Office of
Regulations and Rulings.*

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