



U.S. Customs and
Border Protection

U. S. CUSTOMS AND BORDER PROTECTION

GENERAL NOTICE

19 CFR PART 177

**WITHDRAWAL OF PROPOSED MODIFICATION AND REVOCATION OF
RULING LETTERS**

**RELATING TO THE CUSTOMS POSITION ON THE APPLICATION OF THE
JONES ACT TO THE TRANSPORTATION OF CERTAIN
MERCHANDISE AND EQUIPMENT BETWEEN COASTWISE POINTS**

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

ACTION: Notice withdrawing the July 17, 2009, proposed notice of modification and revocation of headquarters' ruling letters relating to U.S. Customs and Border Protection's ("CBP") position regarding the application of the coastwise laws to certain merchandise and vessel equipment that are transported between coastwise points.

SUMMARY: Pursuant to section 625(c), Tariff Act of 1930 (19 U.S.C. § 1625(c)), as amended by section 623 of Title VI (Customs Modernization) of the North American Free Trade Agreement Implementation Act (Pub. L. 103-182, 107 Stat. 2057) and the regulations promulgated under the authority of 19 U.S.C. § 1625, 19 C.F.R. § 177.12, on July 17, 2009, CBP published a notice in which it proposed modifying its position regarding how it determines what constitutes "vessel equipment" as defined in T.D. 49815(4) and the application of T.D.

49815(4) in cases involving the transportation of merchandise under 46 U.S.C. § 55102 and its position regarding which merchandise may be transported between coastwise points without violating 46 U.S.C. § 55102 , and accordingly, its interpretation of T.D. 78-387 (Oct. 7, 1976). One Hundred and Forty One comments were received in response to the July 17, 2009, notice. This notice is withdrawing the July 17, 2009, notice.

EFFECTIVE DATE: This notice is effective October 1, 2009.

FOR FURTHER INFORMATION CONTACT: Lisa L. Burley, Cargo Security, Carriers, and Immigration Branch, at (202) 325-0215.

SUPPLEMENTARY INFORMATION:

BACKGROUND

On December 8, 1993, Title VI (Customs Modernization), of the North American Free Trade Agreement Implementation Act (Pub. L. 103-182, 107 Stat. 2057) (hereinafter "Title VI"), became effective. Title VI amended many sections of the Tariff Act of 1930, as amended, and related laws. Two new concepts which emerge from the law are **informed compliance** and **shared responsibility**. These concepts are premised on the idea that in order to maximize voluntary compliance with customs laws and regulations, the trade community needs to be clearly and completely informed of its legal obligations. Accordingly, the law imposes a greater obligation on CBP to provide the public with improved information concerning the trade community's responsibilities and rights under the customs and related laws. In addition, both the trade and CBP share responsibility in carrying out import requirements. For example, under

section 484 of the Tariff Act of 1930, as amended (19 U.S.C. 1484), the importer of record is responsible for using reasonable care to enter, classify and value imported merchandise, and provide any other information necessary to enable CBP to properly assess duties, collect accurate statistics and determine whether any other applicable legal requirement is met.

Pursuant to section 625(c)(1), Tariff Act of 1930 (19 U.S.C. 1625(c)(1)), as amended by section 623 of Title VI, and the regulations promulgated thereunder, 19 C.F.R. § 177.12, notice proposing to modifying its position regarding which merchandise may be transported between coastwise points without violating 46 U.S.C. § 55102, and its position regarding how it determines what constitutes "vessel equipment" under T.D. 49815(4) (Mar. 13, 1939) and the application of T.D. 49815(4) in cases involving the transportation of merchandise under 46 U.S.C. § 55102 was published *Customs Bulletin*, Vol. 43, Number 28, July 17, 2009. One hundred and forty one comments were received in response to the notice.

Based on several substantive comments CBP received, both supporting and opposing the proposed action, and CBP's further research on the issue, we conclude that CBP's interpretation of T.D. 78-387 and T.D. 49815(4) and its application to the rulings cited within the proposed action should be reconsidered. Accordingly, CBP is withdrawing for consideration its proposed action relating to its interpretation of T.D. 78-387 and T.D. 49815(4) set forth in the July 17, 2009, notice. A new notice which will set forth CBP's proposed

action relating to its interpretation of T.D. 78-387 and T.D. 49815(4) will be published in the *Customs Bulletin* in the near future.

DATED: September 15, 2009

Charles Ressin, Acting Director
Border Security and Trade Facilitation Division