

## ADMIRALTY & CANOE TRIP COMMITTEES



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### CRUISING IN OR TO FOREIGN PORTS

In accordance with 46 U.S.C. 12114, a U.S.-flagged vessel for which a recreational endorsement is issued may proceed between a port of the United States and a port of a foreign country without entering or clearing with Homeland Security. However, the vessel is still subject to the requirements for reporting arrivals per 19 U.S.C. 1433, and individuals on the vessel are subject to applicable customs regulations.

There is a reciprocity provision for certain foreign-flagged vessels used only for recreation. In accordance with 46 U.S.C. 60504, when yachts owned by residents of the U.S. 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, yachts from that foreign port used only for pleasure are permitted to arrive to cruise in the waters of the U.S. without paying any duties or fees. However, those foreign yachts are required to obtain a license to cruise in the waters of the U.S. The license provides limitations about length of time, direction, place of cruising and action, and other matters considered appropriate.

Reciprocity is implemented in 19 C.F.R. 4.94(b), which authorizes issuance of a cruising license for those foreign-flagged recreational vessels of identified reciprocal countries: Argentina, Australia, Austria, Bahama Islands, Belgium, Bermuda, Canada, Denmark, Finland, France, Germany, Greece, Honduras, Ireland, Italy, Jamaica, Liberia, Marshall Islands, Netherlands, New Zealand, Norway, Saint Kitts and Nevis, Saint Vincent and the Grenadines, Sweden, Switzerland, Turkey, United Kingdom and the Dependencies: the Anguilla Islands, the Isle of Man, the British Virgin Islands, the Cayman Islands, and the Turks and Caicos Islands.

The Cruising License permits the foreign-flagged yacht of those countries to arrive at and depart from the U.S. without entering and clearing, without filing manifests and obtaining or delivering permits to proceed, and without the payment of entry and clearance fees and duty on tonnage. The license is granted subject to the condition that the yacht shall not engage in trade or violate the laws of the U.S. in any respect and carries the warning that the vessel is dutiable (1) If owned by a resident of the U.S., or brought into the U.S., for sale or charter to a U.S. resident, or (2) If brought into the U.S. by a nonresident free of duty as part of personal effects and sold or chartered within one year from date of entry. Any offer to sell or charter (for example, a listing with yacht brokers or agents) is considered evidence that the vessel was brought in for sale or charter to a resident or, if made within one year of entry of a vessel brought in free of duty as personal effects, that the vessel no longer is for the personal use of the non-resident. If the vessel is sold or chartered, or offered for sale or charter, in the circumstances described, without the owner first having filed a consumption entry and having paid duty, the vessel may be subject to seizure or to a monetary claim equal to the value of the vessel.