

19 CFR PART 177**WITHDRAWAL OF PROPOSED MODIFICATION AND
REVOCATION OF RULING LETTERS RELATING TO
CUSTOMS 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 January 18, 2017 notice of proposed 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 January 18, 2017, CBP published a notice in which it proposed modifying HQ 101925 (Oct. 7, 1976) to make it more consistent with federal statutes that were amended after HQ 101925 was issued, and to revise its rulings which have determined that certain articles transported between coastwise points are "vessel equipment" pursuant to Treasury Decision ("T.D.") 49815(4). Over 3,000 comments were received in response to the January 18, 2017 notice. This notice is withdrawing the January 18, 2017 notice.

EFFECTIVE DATE: This notice is effective May 10, 2017.

FOR FURTHER INFORMATION CONTACT: Glen E. Vereb, Director, Border Security and Trade Compliance Division, at 202-325-0030.

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 emerged from the law are **informed compliance** and **shared responsibility**. These concepts are premised on the idea that in order to maximize voluntary com-

pliance 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 modify HQ 101925 (Oct. 7, 1976) to make it more consistent with federal statutes that were amended after HQ 101925 was issued, and to revise rulings which have determined that certain articles transported between coastwise points are "vessel equipment" pursuant to T.D. 49815(4), was published in the *Customs Bulletin*, Vol. 51, No. 3, January 18, 2017. Over 3,000 comments were received in response to the notice.

Based on the many substantive comments CBP received, both supporting and opposing the proposed action, and CBP's further research on the issue, we conclude that the Agency's notice of proposed modification and revocation of the various ruling letters relating to the Jones Act should be reconsidered. Accordingly, CBP is withdrawing its proposed action relating to the modification of HQ 101925 and revision of rulings determining certain articles are vessel equipment under T.D. 49815(4), as set forth in the January 18, 2017 notice.

Dated: May 3, 2017

GLEN E. VEREB,
Director
Border Security and Trade Compliance
Division