

## **Alert on USA Customs Requiring Original Certificates of Registry to Vessels Calling at the Port of Ponce, Puerto Rico**

### **ALERT ON USA CUSTOMS REQUIRING VESSELS TO CARRY ORIGINAL CERTIFICATES OF REGISTRY WHEN CALLING AT THE PORT OF PONCE, PUERTO RICO**

SAN JUAN, PUERTO RICO

Correspondents in Puerto Rico, JGL Attorneys at Law (formerly Jiménez, Graffam & Lausell), inform that, recently, the USA authorities at the Port of Ponce, Puerto Rico, have taken the unusual position of rejecting electronic Certificates of Registry. Customs Ponce demands instead that owners present the original (hard copy) of the Certificate during customs clearance procedures. In some of these cases, Customs has assessed a Special Tonnage Tax and demands payment of the penalty before the vessel is allowed to engage in cargo operations; with the ensuing delays and possible loss of charter hire claims this may cause. As a USA territory, the Puerto Rico maritime industry is under the jurisdiction of USA authorities and USA maritime laws and regulations apply. US Customs authorities in the other ports of Puerto Rico continue to accept electronic Certificates of Registry without problems. In a recent case, we filed a Petition for Remission and Refund of Special Tonnage Tax (“Petition for Remission and Refund”). The vessel in question had called multiple times at US mainland ports using its electronic Certificate of Registry without complications. The Petition for Remission and Refund submits that the USA is a member of the IMO, that there are clear and specific guidelines to ensure the reliability of electronic Certificates of Registry; that there are multiple countries, including the USA, that customarily accept such certificates; and, that there are various Flag States, such as Liberia, have only issued electronic Certificates of Registry to their vessels for several years.

Members of the local maritime industry in Puerto Rico, including JGL Attorneys at Law, have contacted US Customs in Washington concerning this situation. We have learned that, in response to the Petition for Remission and Refund, US Customs in Washington ordered Customs Ponce to desist and change the practice of not accepting e-Certificates. US Customs Washington also ordered Ponce Customs to refund the Special Tonnage Tax assessed and collected from the vessel.

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We will update this alert as additional information becomes available. In the meantime, Members with ships calling at the port of Ponce should communicate early on with their local agents to confirm what type of requirements are in place in relation to the presentation of Certificates of Registry during customs clearance procedures.