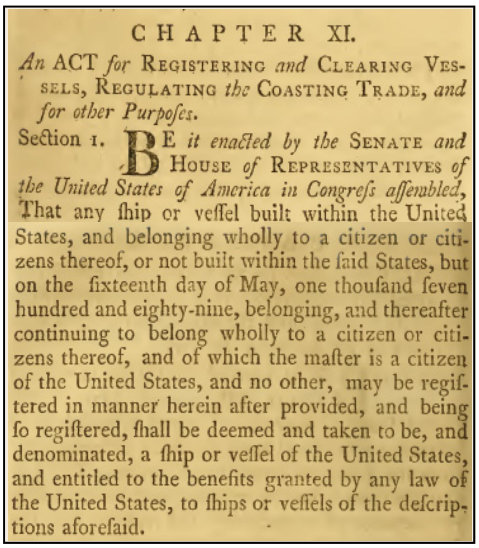
Documentation and Tonnage of Smaller Commercial Vessels

U.S. Department of Homeland Security
United States Coast Guard

This informational brochure provides an overview of federal documentation and tonnage measurement requirements for owners of U.S. commercial vessels less than 79 feet in overall length. If you own such a vessel, certain restrictions on its commercial use may apply depending on a number of factors, including the nature of its commercial activities, the vessel's net tonnage, and whether the vessel was U.S. built.



CHAPTER XI.

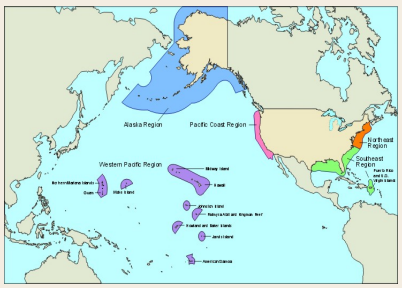
An ACT *for* REGISTERING *and* CLEARING VESSELS, REGULATING *the* COASTING TRADE, *and for other Purposes.*

Section 1. BE *it enacted by the* SENATE *and* HOUSE *of* REPRESENTATIVES *of the United States of America in Congress aſſembled*, That any ſhip or veſſel built within the United States, and belonging wholly to a citizen or citizens thereof, or not built within the ſaid States, but on the fixteenth day of May, one thouſand ſeven hundred and eighty-nine, belonging, and thereafter continuing to belong wholly to a citizen or citizens thereof, and of which the maſter is a citizen of the United States, and no other, may be regiſtered in manner herein after provided, and being ſo regiſtered, ſhall be deemed and taken to be, and denominated, a ſhip or veſſel of the United States, and entitled to the benefits granted by any law of the United States, to ſhips or veſſels of the deſcriptions aforeſaid.

Vessel Documentation

What is vessel documentation?

Vessel documentation is a national form of vessel registration, evidenced by a Certificate of Documentation (COD) issued by the Coast Guard's National Vessel Documentation Center (NVDC). It is one of the oldest functions of the federal government, dating back to the 11th Act of the First Congress of September 1, 1789. Documentation provides evidence of nationality for international purposes, facilitates commerce between the states, and admits vessels to certain restricted trades, such as coastwise trade and the fisheries. Since 1920, vessel financing has been enhanced through the availability of preferred mortgages on documented vessels.



Exclusive Economic Zone

The Exclusive Economic Zone (EEZ) is the zone where the United States has jurisdiction over natural resources. The EEZ extends no more than 200 nautical miles from the territorial sea baseline of the United States. Shaded areas represent different regions of the EEZ. (NOAA Ocean Facts)

Must my commercial vessel be documented?

This depends on both the nature of the commercial activities in which your vessel engages and its net tonnage. Vessels which engage in either **coastwise trade**, or **the fisheries** on navigable waters of the United States or in the Exclusive Economic Zone (EEZ), must be documented, subject to certain exclusion or exemption provisions. Vessels of less than five net tons are excluded from documentation. Those vessels measuring five net tons or more that do not operate in either the coastwise trade or the fisheries on the navigable waters of the United States or in the fisheries in the EEZ, are exempt from documentation. Also exempt from documentation are coastwise qualified, non-self-propelled vessels used in coastwise trade within a harbor, on the rivers or lakes (except the Great Lakes) of the United States or the internal waters or canal of any state. The Coast Guard, through the NVDC, administers the documentation laws of the United States.

What is meant by coastwise trade?

Coastwise trade is generally defined as the transportation of merchandise or passengers between points in the United States, its territorial sea, or the EEZ. This includes carriage of passengers, including charter fishing parties, entirely within our territorial waters even if they debark at the point of embarkation, as well as towing, dredging, and salvage activities within these waters. Customs and Border Protection (CBP) administers the coastwise trade laws of the United States.

https://www.dco.uscg.mil/Portals/9/DCO%20Documents/Marine%20Safety%20Center/Tonnage/Brochure_Documentation_and_Tonnage.pdf?ver=2017-06-09-130322-740

Vessel Documentation (continued)

What is meant by the fisheries?

In general, the fisheries include processing, transporting (except in foreign commerce), cultivating, storing, catching or harvesting fish, shellfish or marine animals or vegetation in the navigable waters of the United States or the EEZ. Note that, unless the catch is to be sold, charter fishing operations that take customers out to fish are considered coastwise trade and not fisheries activities.

U.S. Build Requirement Summary

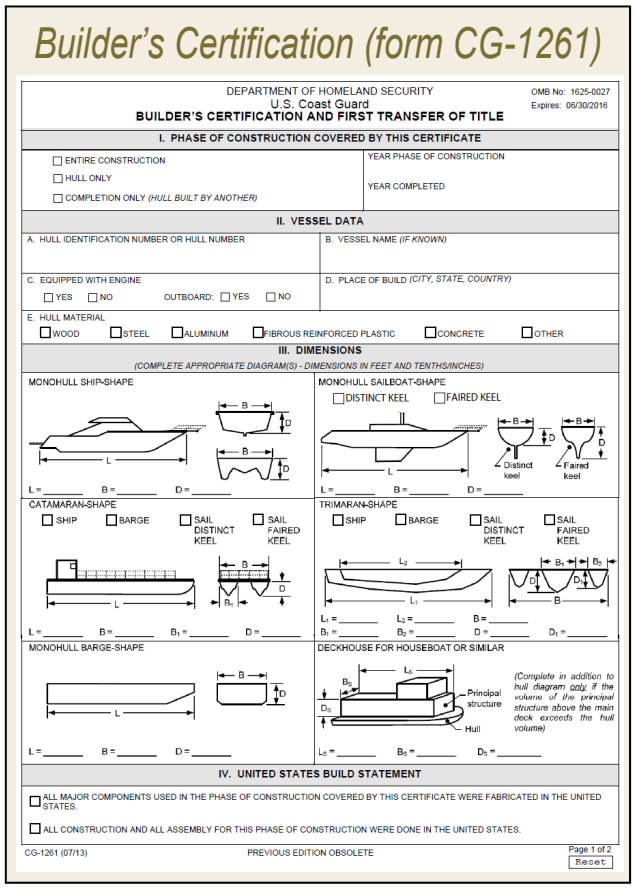
Documentation Status	Coastwise Trade	Fisheries
Vessel Documented	U.S. Build Required*	U.S. Build Required*
Vessel Not Documented	U.S. Build Required	U.S. Build NOT Required

* unless waived or otherwise excepted

Are there U.S. build requirements?

Yes. Documented vessels must be built in the United States in order to engage in the **coastwise trade** or in the **fisheries**, with limited exceptions. Vessels excluded by virtue of their tonnage or otherwise exempt from documentation must nevertheless be U.S. built and otherwise entitled to be documented with a coastwise endorsement in order to engage in the **coastwise trade**. There is no U.S. build requirement for vessels excluded from documentation by virtue of their tonnage which engage in the **fisheries**.

Builder's Certification (form CG-1261)



DEPARTMENT OF HOMELAND SECURITY
U.S. Coast Guard
BUILDER'S CERTIFICATION AND FIRST TRANSFER OF TITLE
OMB No: 1625-0027
Expires: 06/30/2016

I. PHASE OF CONSTRUCTION COVERED BY THIS CERTIFICATE

☐ ENTIRE CONSTRUCTION
☐ HULL ONLY
☐ COMPLETION ONLY *(HULL BUILT BY ANOTHER)*

YEAR PHASE OF CONSTRUCTION
YEAR COMPLETED

II. VESSEL DATA

A. HULL IDENTIFICATION NUMBER OR HULL NUMBER
B. VESSEL NAME *(IF KNOWN)*
C. EQUIPPED WITH ENGINE ☐ YES ☐ NO OUTBOARD: ☐ YES ☐ NO
D. PLACE OF BUILD *(CITY, STATE, COUNTRY)*
E. HULL MATERIAL ☐ WOOD ☐ STEEL ☐ ALUMINUM ☐ FIBROUS REINFORCED PLASTIC ☐ CONCRETE ☐ OTHER

III. DIMENSIONS

(COMPLETE APPROPRIATE DIAGRAM(S) - DIMENSIONS IN FEET AND TENTHS/INCHES)

MONOHULL SHIP-SHAPE — L = ____ B = ____ D = ____
MONOHULL SAILBOAT-SHAPE ☐ DISTINCT KEEL ☐ FAIRED KEEL — L = ____ B = ____ D = ____
CATAMARAN-SHAPE ☐ SHIP ☐ BARGE ☐ SAIL DISTINCT KEEL ☐ SAIL FAIRED KEEL — L = ____ B = ____ B_1 = ____ D = ____
TRIMARAN-SHAPE ☐ SHIP ☐ BARGE ☐ SAIL DISTINCT KEEL ☐ SAIL FAIRED KEEL — L_1 = ____ L_2 = ____ B = ____ B_1 = ____ B_2 = ____ D = ____ D_1 = ____
MONOHULL BARGE-SHAPE — L = ____ B = ____ D = ____
DECKHOUSE FOR HOUSEBOAT OR SIMILAR — *(Complete in addition to hull diagram only if the volume of the principal structure above the main deck exceeds the hull volume)* — L_5 = ____ B_5 = ____ D_5 = ____

IV. UNITED STATES BUILD STATEMENT

☐ ALL MAJOR COMPONENTS USED IN THE PHASE OF CONSTRUCTION COVERED BY THIS CERTIFICATE WERE FABRICATED IN THE UNITED STATES.
☐ ALL CONSTRUCTION AND ALL ASSEMBLY FOR THIS PHASE OF CONSTRUCTION WERE DONE IN THE UNITED STATES.

CG-1261 (07/13) PREVIOUS EDITION OBSOLETE Page 1 of 2 Reset

Are there exceptions to U.S. build requirements?

Yes. Certain vessels that are captured, forfeited, or wrecked may be excepted. Also, the Maritime Administration (MARAD) can issue waivers for foreign-built vessels or vessels of unknown or unprovable build to operate as commercial passenger vessels that carry no more than 12 passengers for hire. This requires a public notification and comment process, and an application fee.

How is build evidence established?

Build evidence for documented vessels is normally established through owner submission of an original Builder's Certification and First Transfer of Title (form CG-1261), completed by the builder as part of the documentation process. Copies are not accepted. Please be aware that there is no similar federal form to establish build evidence for vessels that measure less than five net tons. The NVDC may waive this build evidence requirement under certain circumstances.

What identification numbers are assigned?

A documented vessel is assigned an official number, which appears on the COD and is marked on some clearly visible interior structural part of the hull. Other unique identifiers may be assigned to, and marked on, a vessel under federal or state requirements, such as state numbers and hull identification numbers (HINs). These numbers are useful in identifying a vessel's documentation status, and obtaining other important vessel information from vessel data systems such as the Coast Guard's publicly available PSIX system.

Is a documented vessel exempt from state jurisdiction?

No. All documented vessels must comply with the laws of the state in which they are operated. The vessel's COD must be shown to state law enforcement personnel upon demand. States may require documented vessels to be registered (but not state numbered) and to display state decals showing that they have complied with state requirements.

Examples of Vessel Numbering

Official Number	1240950
State Number	FL 0001 AB
Hull Id Number	XYZ12345L485

https://www.dco.uscg.mil/Portals/9/DCO%20Documents/Marine%20Safety%20Center/Tonnage/Brochure_Documentation_and_Tonnage.pdf?ver=2017-06-09-130322-740

Tonnage Measurement

Origins of Tonnage

The present concept of tonnage measurement dates back at least to the early middle ages. Tonnage duties were assessed on tuns (casks or barrels) of wine. Each tun held approximately 252 gallons of wine, weighing 2240 pounds, from which we get the "long ton" measure of weight.

By the late 1700's, systems were in place in Europe to assign tonnages to reflect vessel carrying capacity in "tons" of roughly 100 cubic feet each (a measure of volume related to the size of a standardized cask or barrel).

Using tonnage for tax purposes is addressed in the United States Constitution, and was the subject of the 3rd and 5th Acts of the First Congress.

CHAPTER III.

An ACT *impoſing* DUTIES *on* TONNAGE.

Section 1. BE *it enacted by the* SENATE *and* HOUSE *of* REPRESENTATIVES *of the United States of America in Congreſs aſſembled*, That the following duties ſhall be, and are hereby impoſed on all ſhips or veſſels entered in the United States, that is to ſay:

CHAPTER V.

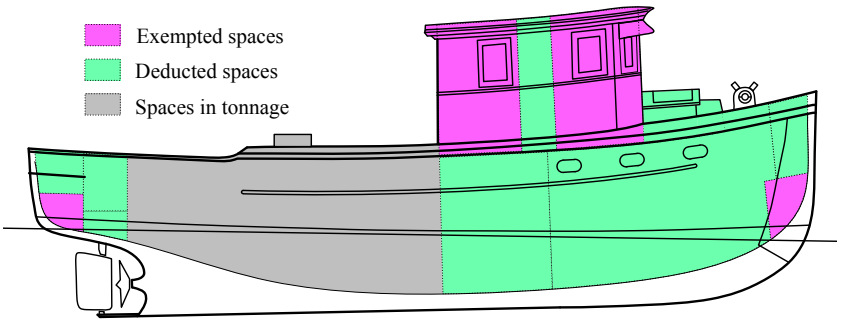
An ACT *to regulate the* COLLECTION *of the* DUTIES *impoſed by Law on the* TONNAGE *of* SHIPS *or* VESSELS, *and on* GOODS, WARES *and* MERCHANDIZES *imported into the United States.*

What is net tonnage?

Net tonnage is a volumetric measure of a vessel's useful capacity, for which a number of different measurement systems are in use worldwide. U.S. law requires tonnage measurement for any vessel for which the application of a U.S. law depends on the vessel's tonnage. Owners of U.S. vessels less than 79 feet in length may choose measurement under one of two older U.S. Formal Measurement Systems (the Standard or Dual Regulatory Measurement Systems), or the U.S. Simplified Regulatory Measurement System. The U.S. tonnage measurement program is administered by the Coast Guard Marine Safety Center (MSC).

How do the measurement systems differ?

Formal (Standard or Dual) measurement involves the calculation of net tonnage using a complex series of measurements, exemptions and deductions, and is performed by an authorized measurement organization for a substantive fee paid by the vessel owner. Simplified measurement involves the calculation of net tonnage using a simplified formula, with owner-provided principal dimensions and other characteristics as the inputs. While taken as a group, the resulting net tonnages are comparable between formally and simplified measured vessels, the tonnage differences may vary significantly for individual vessels.



How is net tonnage certified?

This depends on how the vessel is measured. For formally measured vessels, the measurement organization certifies the net tonnage through issuance of a tonnage certificate. For simplified measured vessels, no comparable document is issued (excepting certain novel craft, for which the Coast Guard will issue a tonnage certificate). Instead, a completed Application for Simplified Measurement (form CG-5397) or, for documented vessels, a Builder's Certification (form CG-1261) serves as evidence of the measurement of the vessel, from which the net tonnage may be calculated by interested parties.

https://www.dco.uscg.mil/Portals/9/DCO%20Documents/Marine%20Safety%20Center/Tonnage/Brochure_Documentation_and_Tonnage.pdf?ver=2017-06-09-130322-740

HB 185: Distributed by the Office of Rep. Louise Stutes-3.4.20

Tonnage Measurement (continued)

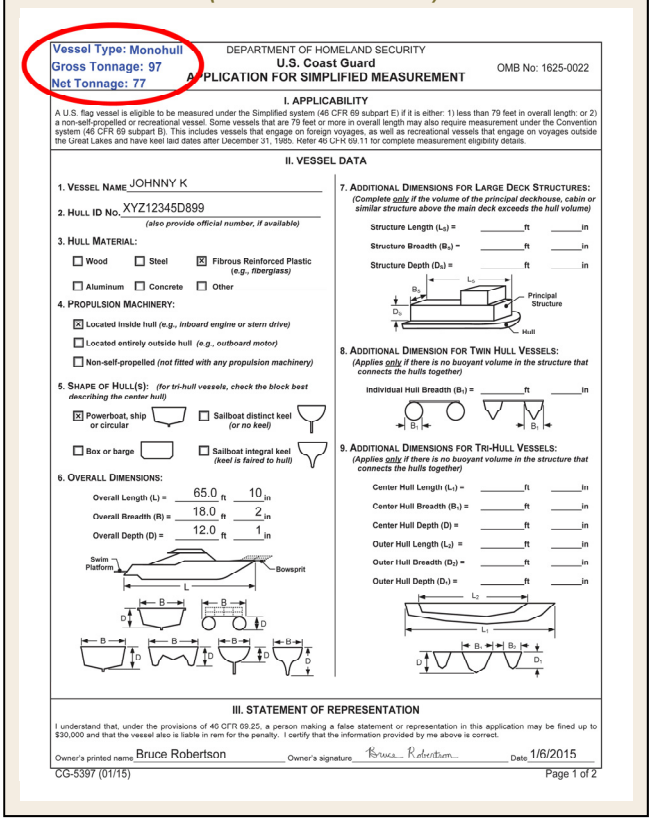
How do I choose a measurement system?

This depends on the circumstances specific to your vessel. In general, owners of most vessels less than 79 feet in overall length opt for the Simplified System, as this system often yields tonnages meeting their objectives while avoiding the cost of Formal measurement. Please be aware that under U.S. law, if a vessel is not formally measured, the Simplified System applies by default, regardless of whether an Application for Simplified Measurement (form CG-5397) is completed.

Can I calculate the net tonnage?

This depends on the measurement system used. While in all cases, the method for calculating tonnage is detailed in the tonnage regulations, Formal System rules are complex, and measurement is best left to individuals experienced in using these rules (e.g., authorized measurement organizations). Conversely, Simplified System rules are more straightforward, and the formulas for calculating tonnage have been programmed into the electronic Adobe .pdf version of the Simplified Application form. An owner can ascertain net tonnage by entering vessel data into this form, with the tonnage appearing in the form's upper left hand corner.

Application for Simplified Measurement (form CG-5397)



Vessel Type: Monohull
Gross Tonnage: 97
Net Tonnage: 77

DEPARTMENT OF HOMELAND SECURITY
U.S. Coast Guard
APPLICATION FOR SIMPLIFIED MEASUREMENT
OMB No: 1625-0022

I. APPLICABILITY

A U.S. flag vessel is eligible to be measured under the Simplified system (46 CFR 69 subpart E) if it is either: 1) less than 79 feet in overall length; or 2) a non-self-propelled or recreational vessel. Some vessels that are 79 feet or more in overall length may also require measurement under the Convention system (46 CFR 69 subpart B). This includes vessels that engage on foreign voyages, as well as recreational vessels that engage on voyages outside the Great Lakes and have keel laid dates after December 31, 1985. Refer 46 CFR 69.11 for complete measurement eligibility details.

II. VESSEL DATA

1. Vessel Name: JOHNNY K
2. Hull ID No.: XYZ12345D899 (also provide official number, if available)
3. Hull Material: ☐ Wood ☐ Steel ☒ Fibrous Reinforced Plastic (e.g., fiberglass) ☐ Aluminum ☐ Concrete ☐ Other
4. Propulsion Machinery: ☒ Located inside hull (e.g., inboard engine or stern drive) ☐ Located entirely outside hull (e.g., outboard motor) ☐ Non-self-propelled (not fitted with any propulsion machinery)
5. Shape of Hull(s): (for tri-hull vessels, check the block best describing the center hull) ☒ Powerboat, ship or circular ☐ Sailboat distinct keel (or no keel) ☐ Box or barge ☐ Sailboat integral keel (keel is faired to hull)
6. Overall Dimensions: Overall Length (L) = 65.0 ft 10 in; Overall Breadth (B) = 18.0 ft 2 in; Overall Depth (D) = 12.0 ft 1 in
7. Additional Dimensions for Large Deck Structures: (Complete only if the volume of the principal deckhouse, cabin or similar structure above the main deck exceeds the hull volume) Structure Length (L_S) = ft in; Structure Breadth (B_S) = ft in; Structure Depth (D_S) = ft in
8. Additional Dimension for Twin Hull Vessels: (Applies only if there is no buoyant volume in the structure that connects the hulls together) Individual Hull Breadth (B_1) = ft in
9. Additional Dimensions for Tri-Hull Vessels: (Applies only if there is no buoyant volume in the structure that connects the hulls together) Center Hull Length (L_1) = ft in; Center Hull Breadth (B_1) = ft in; Center Hull Depth (D) = ft in; Outer Hull Length (L_2) = ft in; Outer Hull Breadth (D_2) = ft in; Outer Hull Depth (D_1) = ft in

III. STATEMENT OF REPRESENTATION

I understand that, under the provisions of 46 CFR 69.25, a person making a false statement or representation in this application may be fined up to $30,000 and that the vessel also is liable in rem for the penalty. I certify that the information provided by me above is correct.

Owner's printed name: Bruce Robertson Owner's signature: Bruce Robertson Date: 1/6/2015

CG-5397 (01/15) Page 1 of 2

United States Coast Guard
Maritime Information eXchange
Port State Information eXchange

The Port State Information eXchange (PSIX) system, updated weekly, contains vessel-specific information, including tonnage, on U.S. flag vessels, foreign vessels operating in U.S. waters, and Coast Guard contacts with those vessels. For undocumented vessels, tonnage information may appear, but is not certified as to its accuracy. (https://cgmix.uscg.mil/psix/)

Where can I find evidence of prior measurement?

For documented vessels, the assigned tonnages appear on the COD, regardless of the measurement system used, and can also be found in the Coast Guard's publically available PSIX vessel information system. For other vessels, there is no corresponding federal document or data system that provides such evidence of tonnage. The Coast Guard recommends that a copy of the tonnage certificate (if formally measured) or a completed Simplified Application (if simplified measured) be carried onboard any undocumented commercial vessel less than 79 feet in overall length for presentation to law enforcement personnel.

For further information

Refer to the U.S. Documentation and Tonnage Regulations (46 CFR 67 and 46 CFR 69, respectively), and the websites of the following governmental organizations: NVDC, MSC, CBP, and MARAD. In addition, the MSC maintains useful links to related documents and web pages on its website: http://www.uscg.mil/hq/msc/tonnage/links.asp.

This publication is intended to provide information to assist industry, mariners, the general public, and the Coast Guard, as well as other federal and state regulators, in understanding statutory and regulatory requirements related to certain aspects of vessel documentation and tonnage. It is not intended as, nor should it be construed to represent, a revision of or substitute for applicable statutes or regulations or established interpretations of either.

https://www.dco.uscg.mil/Portals/9/DCO%20Documents/Marine%20Safety%20Center/Tonnage/Brochure_Documentation_and_Tonnage.pdf?ver=2017-06-09-130322-740