

46 U.S.C. 50501 (2006). Entities deemed citizens of the United States.

(a) **In general.** In this subtitle, a corporation, partnership, or association is deemed to be a citizen of the United States only if the controlling interest is owned by citizens of the United States. However, if the corporation, partnership, or association is operating a vessel in the coastwise trade, at least 75 percent of the interest must be owned by citizens of the United States.

(b) **Additional requirements for corporations.** In this subtitle, a corporation is deemed to be a citizen of the United States only if, in addition to satisfying the requirements in subsection (a)--

- (1) it is incorporated under the laws of the United States or a State;
- (2) its chief executive officer, by whatever title, and the chairman of its board of directors are citizens of the United States; and
- (3) no more of its directors are noncitizens than a minority of the number necessary to constitute a quorum.

(c) **Determination of controlling corporate interest.** The controlling interest in a corporation is owned by citizens of the United States under subsection (a) only if--

- (1) title to the majority of the stock in the corporation is vested in citizens of the United States free from any trust or fiduciary obligation in favor of a person not a citizen of the United States;
- (2) the majority of the voting power in the corporation is vested in citizens of the United States;
- (3) there is no contract or understanding by which the majority of the voting power in the corporation may be exercised, directly or indirectly, in behalf of a person not a citizen of the United States; and
- (4) there is no other means by which control of the corporation is given to or permitted to be exercised by a person not a citizen of the United States.

(d) **Determination of 75 percent corporate interest.** At least 75 percent of the interest in a corporation is owned by citizens of the United States under the subsection (a) only if--

- (1) title to at least 75 percent of the stock in the corporation is vested in citizens of the United States free from any trust or fiduciary obligation in favor of a person not a citizen of the United States;

(2) at least 75 percent of the voting power in the corporation is vested in citizens of the United States;

(3) there is no contract or understanding by which more than 25 percent of the voting power in the corporation may be exercised, directly or indirectly, in behalf of a person not a citizen of the United States; and

(4) there is no other means by which control of more than 25 percent of any interest in the corporation is given to or permitted to be exercised by a person not a citizen of the United States.