

U.S. Shipping Partners L.P.
Form 4
March 17, 2008

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
KEARNS WILLIAM M JR

(Last) (First) (Middle)

C/O U.S. SHIPPING PARTNERS,
L.P., 399 THORNALL STREET

(Street)

EDISON, NJ 08837

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

U.S. Shipping Partners L.P. [USS]

3. Date of Earliest Transaction
(Month/Day/Year)

03/10/2008

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
			Code	V	Amount	(A) or (D)	Price	
Common units representing limited partner interests	03/10/2008		P		1,000	A	\$ 9.51	
Subordinated Units					0	(2) (4) (5)	I	See footnotes (2) (4) (5)
General partner interest					0	(3) (4) (5)	I	See footnotes (3) (4) (5)
Incentive					0	(4) (5)	I	See

distribution
rights

footnotes
(4) (5)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned (Instr. 5)
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other

KEARNS WILLIAM M JR C/O U.S. SHIPPING PARTNERS, L.P. 399 THORNALL STREET EDISON, NJ 08837	X			
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Signatures

/s/ William M. Kearns, Jr. 03/17/2008

**Signature of Reporting Person Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Includes 2,000 restricted units issued as partial compensation for service as director of the general partner of USS. These restricted units (1) vest on March 31, 2008, subject to earlier vesting in the event of a change in control, death, disability, retirement or resignation at the request of the Company. Mr. Kearns is to receive distributions on the restricted units.

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- United States Shipping Master LLC ("Shipping Master") owned a 98% limited partner interest in the Issuer. At the closing of the Issuer's
- (2) initial public offering of common units ("Common Units") representing limited partner interests (the "Offering") on November 3, 2004, Shipping Master's 98% limited partner interest was redeemed for \$1,960.
- (3) Shipping Master owns 100% of US Shipping General Partner LLC ("Shipping GP"), the sole general partner of the Issuer. Shipping GP owns a 2% general partner interest in the Issuer.

- At the closing of the Offering, each of Shipping Master and Shipping GP agreed to convey certain assets and liabilities to the Issuer and in exchange therefore (a) Shipping Master received 899,968 Common Units (which were subsequently redeemed), 5,272,341 Class A subordinated units and 1,627,627 class B subordinated units of the Issuer and (b) Shipping GP continued its 2% general partner interest
- (4) and received incentive distribution rights ("IDRs"), which represent the right to receive an increasing percentage of quarterly distributions in excess of specified amounts. Shipping Master is the indirect beneficial owner of the general partner interest in the Issuer and the IDRs owned by the right to receive an increasing percentage of quarterly distribution in excess of specified amounts. Shipping Master is the indirect beneficial owner of the general partner interest in the Issuer and the IDRs owned by Shipping GP.

- Pursuant to the Shipping Master limited liability company agreement, Mr. Kearns owns (a) a 0.53% pecuniary interest in the general
- (5) partner interest and the IDRs indirectly owned by Shipping Master, and (b) a 0.70% pecuniary interest in the class A subordinated units directly owned by Shipping Master.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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