

MAINE STATE LEGISLATURE

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ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 1071

H. P. 862

House of Representatives, March 14, 1975

Referred to the Committee on Taxation. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Mackel of Wells.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FIVE

AN ACT Relating to Municipal Excise Taxes on Boats and Motors.

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. 36 MRSA § 1492 is enacted to read:

§ 1492. Municipal excise taxes on boats and motors

1. Watercraft. An excise tax shall be levied annually with respect to a fiscal year, starting May 1st, on all watercraft except those which are solely hand propelled for the privilege of operating said boats on the waters of this State.

2. Computation. The excise tax on all boats including their motors or those boats without motors shall be computed annually as follows:

A. Class 1. For any watercraft less than 10 feet in length	\$5
B. Class 2. For any watercraft 10 feet or more but less than 16 feet in length	\$10
C. Class 3. For any watercraft 16 feet or more but less than 20 feet in length	\$15
D. Class 4. For any watercraft 20 feet or more but less than 26 feet in length	\$25
E. Class 5. For any watercraft 26 feet or more but less than 40 feet in length	\$40
F. Class 6. For any watercraft 40 feet or more but less than 65 feet in length	\$65

G. Class 7. For any watercraft 65 feet or more in length shall be assessed as personal property.

H. Class 8. Watercraft held by licensed marine dealers as demonstrators or stock in trade are exempt from excise tax but shall be subject to property tax.

3. Where paid. The excise tax shall be paid in the case of a resident in the place where he resides, or in the case of a Maine resident of an unorganized area, to the Bureau of Taxation. In the case of nonresidents registering boats in this State, the excise tax shall be paid in the place where the boat is customarily kept.

4. Exempt from further taxation. Boat owners who have paid the excise tax on their watercraft as provided for in this section shall be exempt from further or other municipal taxation for that year on said watercraft. A life boat which is a necessary part of a larger vessel and so identified shall also be exempt.

5. Collection. The excise tax shall be collected by the tax collector. In years when the initial registration is secured the excise tax shall be due on the day a boat is registered by the Division of Watercraft Registration and Safety through the issuance by that division of a certificate of number. In years other than the year the initial registration is secured and in the case of boats not required to be registered, the excise tax shall be due on May 1st of that year.

6. Enforcement. The tax collector within 3 years after the due date of an excise tax unpaid under this section may bring an action in a District Court within the district where the excise tax was levied to recover the excise tax due and unpaid, providing demand for payment has been sent to the taxpayer within 60 days of the tax due date and payment was not made within 30 days from the sending of the demand.

7. Disposition of tax. All excise tax fees collected shall be retained by the municipality.

8. Tax credit. Any owner who has paid the excise tax for a boat the ownership of which is transferred, or which is subsequently totally lost by fire, theft or accident or which is subsequently totally junked or abandoned, in the same fiscal year, shall be entitled to a credit to the maximum amount of the tax previously paid in such year for any one boat toward the tax for such other boats, regardless of number of transfers, which may be required of him in the same fiscal year.

9. Nonresident exemption. Boats owned by nonresidents of this State, not required to be registered or documented shall be exempt from the excise tax, provided that such boat has a current registration in the owner's state of principal use. Personal property tax shall be assessed April 1st in the town where situated.

10. Tax not prerequisite for registration. Payment of the excise tax or personal property tax shall not be a prerequisite for registration of a boat.

11. **Length defined.** In determining the length of a watercraft for the purposes of taxation, the following definition shall apply:

A. Length means the distance measured from end to end over the deck, excluding sheer. It is the straight line measurement of the overall length, stated in feet and inches, from the foremost part of the vessel to the aftermost part measured parallel to the centerline, excluding outboard motors, brackets, bowsprits, rudders and similar attachments.

Sec. 2. 36 MRSA § 655, sub-§ 1, ¶ H, as last repealed and replaced by PL 1973, c. 592, § 13, is repealed.

FISCAL NOTE

It is estimated this legislation will generate up to \$1,000,000.

STATEMENT OF FACT

The purpose of this bill is to standardize the taxation of watercraft in this State.