

# MAINE STATE LEGISLATURE

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ONE HUNDRED AND SEVENTH LEGISLATURE

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**Legislative Document**

**No. 1733**

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H. P. 1455 House of Representatives, April 8, 1975  
Referred to Committee on Taxation. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Usher of Westbrook.

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**STATE OF MAINE**

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-FIVE

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

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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 April 1, 1976, 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 motor boats in the following classes 1 through 7 shall be computed annually at a rate of 15 mills on each dollar of valuation as determined from a standard watercraft trading guide as selected by the Bureau of Taxation.

A. Class 1. For any watercraft less than 10 feet in length.

B. Class 2. For any watercraft 10 feet or more but less than 16 feet in length.

C. Class 3. For any watercraft 16 feet or more but less than 20 feet in length.

D. Class 4. For any watercraft 20 feet or more but less than 26 feet in length.

E. Class 5. For any watercraft 26 feet or more but less than 40 feet in length.

F. Class 6. For any watercraft 40 feet or more but less than 65 feet in length.

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. The tax shall be due prior to the registering of a boat by the Bureau of Watercraft Registration and Safety through the issuance by that bureau of a certificate of number. The excise tax shall be due on May 1st of that year.

6. Disposition of tax. The fees shall be divided between the State and municipality. Not less than 5 mills shall be retained by the State.

7. 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.

8. 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.

9. Tax is a prerequisite for registration. Payment of the excise tax or personal property tax is a prerequisite for registration of a boat.

Sec. 2. 36 MRSA § 655, sub-§ 1, ¶ H, as last repealed and replaced by PL 1973, c. 592, § 13, is repealed.

#### STATEMENT OF FACT

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