

MAINE STATE LEGISLATURE

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ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 168

H. P. 135

House of Representatives, January 26, 1977

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

EDWIN H. PERT, Clerk

Presented by Mr. Carey of Waterville.

Cosponsor: Mr. Goodwin of South Berwick.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SEVEN

AN ACT Imposing an Excise Tax on Watercraft, Motors and Trailers in
Lieu of the Personal Property Tax.

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

Sec. 1. 36 MRSA § 655, sub-§ 1, ¶ P is enacted to read:

P. All watercraft, motors and trailers for which an excise tax is due pursuant to section 1492.

Sec. 2. 36 MRSA § 1492 is enacted to read:

§ 1492. Excise taxes on watercraft, motors and trailers

1. Watercraft. An excise tax shall be levied annually on all watercraft and related motors and trailers for the privilege of operating on the waters of this State.

2. Computation. The excise tax on all watercraft including their motors and trailers shall be computed annually as follows.

A. Watercraft

- | | |
|--|------|
| (1) For any watercraft other than canoes, less than 10 feet in length | \$5 |
| (2) Canoes | \$10 |
| (3) For any watercraft other than canoes, 10 feet or more, but less than 16 feet in length | \$15 |

- (4) For any watercraft other than canoes, 16 feet or more, but less than 20 feet in length \$20
- (5) Any watercraft, other than canoes, 20 feet or more in length shall be assessed as personal property.

B. Motors. The tax on motors used to propel that watercraft shall be computed at 30¢ per horsepower, using manufacturer's rating to determine the horsepower.

C. Trailers. The tax on trailers used to haul that watercraft shall be \$2.

D. Watercraft 5 years old or older. Watercraft 5 years old or more shall be subject to tax at 1/2 the rates noted in paragraph A.

3. Exemptions. The following watercraft shall be exempt from the excise tax.

A. Watercraft, motors and trailers held by licensed marine dealers as demonstrators or stock-in-trade.

B. Lifeboats which are a necessary part of a larger vessel and so identified.

C. Rowboats more than 5 years old.

D. Watercraft, motors and trailers owned by nonresidents of this State, and which are not required to be registered in this State, shall be exempt from the excise tax, provided the watercraft has a current registration in another state.

4. Exemption from personal property taxation. Any watercraft, motor or trailer for which an excise tax is due pursuant to this section is exempt from personal property taxation.

5. Municipal tax collector. In the case of municipalities, the municipal tax collector or such other person as the municipality may designate shall assess and collect such excise tax and shall deposit the money received with the municipal treasurer. The collector may abate any excise tax erroneously assessed.

The collector shall report to the municipal officers at the end of the municipal year, showing the total amount of excise tax collected and abated.

In the case of the unorganized territory, the State Tax Assessor shall assess and collect the excise tax.

6. 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 the unorganized territory to the State Tax Assessor. In the case of nonresidents registering watercraft in this State, the excise tax shall be paid in the place where the watercraft is customarily kept.

7. Assessment and collection. The excise tax shall be assessed according to the status of property on April 1st. The assessors of municipalities shall deliver a list of watercraft, motors and trailers to be excised, indicating length

and owner's name and address, to the municipal tax collector prior to June 1st annually. The tax shall be due on the same date as other property taxes. Interest on overdue excise tax assessments shall accrue at the same rate as other property taxes. A copy of the list supplied to the tax collector shall be included in the valuation list.

8. Enforcement. The tax collector or the State Tax Assessor for the unorganized territory, 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.

9. Penalty. A penalty of 1% per month shall be applied to overdue excise tax assessments.

10. Disposition of tax. All excise tax fees collected by municipal tax collectors shall be retained by the municipality.

11. Tax as a prerequisite for registration. Payment of the excise tax shall be a prerequisite for registration of a boat.

A. No watercraft owner may register his watercraft, pursuant to Title 12, section 2069, unless he shall present to the official responsible for registration, receipts signed by a tax collector for all excise tax payments on his watercraft since the last registration of his watercraft.

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

A. "Length" means the straight line measurement 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.

STATEMENT OF FACT

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