

MAINE STATE LEGISLATURE

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1 SECOND REGULAR SESSION
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE
4

5 Legislative Document

No. 2022
6

7 H.P. 1431

House of Representatives, February 13, 1986

8 Submitted by the State Planning Office pursuant to Joint Rule 24.

9 Reference to the Committee on Taxation suggested and ordered printed.

EDWIN H. PERT, Clerk

10 Presented by Representative Mayo of Thomaston.

Cosponsored by Representative Swazey of Bucksport, Senator Usher of
Cumberland and Representative Walker of Norway.

11
12 STATE OF MAINE
13

14 IN THE YEAR OF OUR LORD
15 NINETEEN HUNDRED AND EIGHTY-SIX
16

17 AN ACT to Amend Watercraft Excise Tax Laws.
18

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

21 Sec. 1. 36 MRSA §1503, sub-§2, as enacted by PL
22 1983, c. 92, Pt. B, §9, is amended to read:

23 2. Commissioner. "Commissioner" means the Com-
24 missioner of Marine Resources Inland Fisheries and
25 Wildlife.

26 Sec 2. 36 MRSA §1503, sub-§8, as amended by PL
27 1983, c. 572, §§7 and 12, is further amended to
28 read:

29 8. Registration period. "Registration period"
30 means that period commencing upon the issuance of a
31 certificate of number pursuant to Title 12, section
32 7794 and continuing until December 31st of the ealen-
33 dar year after the year of issuance the last day of
34 the 12th month after the month of issuance.

1 Sec 3. 36 MRS §1503, sub-§9, as enacted by PL
2 1983, c. 92, Pt. B, §9, is amended to read:

3 9. Taxable year. "Taxable year" for purposes of
4 section 1504, ~~subsectien~~ subsections 1 and 5, means
5 from January 1st to December 31st for watercraft
6 documented under the laws of the United States. For
7 watercraft required to be registered under Title 12,
8 section 7794, "taxable year" means the 12-month peri-
9 od of registration.

10 Sec. 4. 36 MRS §1504, sub-§3, ¶¶A and C, as en-
11 acted by PL 1983, c. 92, Pt. B, §9, are amended to
12 read:

13 A. If the watercraft is owned by an individual
14 resident of this State, the excise tax shall be
15 paid to the municipality where the owner resides
16 regardless of the length of time that the water-
17 craft is within the State. The excise tax for
18 watercraft owned by residents of Indian reserva-
19 tions shall be paid to the tribal clerks.

20 C. The ~~commissiener~~ State Tax Assessor shall de-
21 termine a vessel's established base of operation
22 if 2 or more municipalities disagree over which
23 taxing jurisdiction has the right to tax a par-
24 ticular vessel. The ~~commissiener's~~ State Tax
25 Assessor's decision shall be final.

26 Sec 5. 36 MRS §1504, sub-§4, ¶D, as enacted by
27 PL 1983, c. 92, Pt. B, §9, is amended to read:

28 D. Commercial vessels without an established
29 base of operations in this State and all other
30 watercraft which are owned by nonresidents and
31 are not within this State more than 75 days dur-
32 ing the year; and

33 Sec 6. 36 MRS §1504, sub-§6-A is enacted to
34 read:

35 6-A. Improper levy of tax. If a municipality or
36 watercraft owner believes the excise tax has been im-
37 properly levied under the authority of this section,
38 the municipality or watercraft owner may request a
39 determination of this question by the State Tax As-

1 essor. The State Tax Assessor's determination is
2 binding on all parties. Any party may seek review of
3 the determination in accordance with the Maine Rules
4 of Civil Procedure, Rule 80B.

5 Sec 7. 36 MRSA §1504, sub-§7, as enacted by PL
6 1983, c. 92, Pt. B, §9, is amended to read:

7 7. Evidence of tax payment. Each documented wa-
8 tercraft, required to pay the excise tax established
9 by this chapter, shall display a current excise tax
10 decals as directed by the commissioner. A current
11 excise tax decal shall be issued by the municipal tax
12 collector or tribal clerk upon the payment of all ex-
13 cise taxes due under this chapter. The commissioner
14 shall make excise tax decals available at cost to mu-
15 nicipalities and Indian reservations. For
16 watercrafts required to be registered under Title 12,
17 section 7794, the registration sticker shall be con-
18 sidered evidence of tax payment.

19 Sec 8. 36 MRSA §1504, sub-§7-A is enacted to
20 read:

21 7-A. Interest on delinquent taxes. Any tax as-
22 essed under this chapter which is not paid when due
23 shall accrue interest at the rate set for municipal
24 property taxes for the year during which the excise
25 tax is due.

26 Sec 9. 36 MRSA §1504, sub-§9, as amended by PL
27 1983, c. 866, Pt. A, §1, is further amended to read:

28 9. Enforcement. General enforcement provisions
29 are as follows.

30 A. Beginning March 1, 1984, payment of the ex-
31 cise tax and accrued interest, where applicable,
32 is a prerequisite for obtaining a certificate of
33 number of a watercraft under Title 12, section
34 7794, and no registration may be renewed until
35 all excise taxes and accrued interest, where ap-
36 plicable, with respect to the watercraft have
37 been paid in accordance with this chapter.

38 B. The provisions of chapters 7 and 835 shall
39 apply with like effect to collecting the tax and

1 enforcing this chapter in the unorganized
2 territory.

3 ~~E. Failure to pay the tax required by this chap-~~
4 ~~ter is a civil violation for which a forfeiture~~
5 ~~not to exceed \$100 may be adjudged.~~

6 Sec 10. 36 MRSA §1506, as amended by PL 1983, c.
7 819, Pt. A, §60, is further amended to read:

8 §1506. Rulemaking

9 The Commissioner of Marine Resources Inland Fish-
10 eries and Wildlife, after consultation with the Com-
11 missioner of Inland Fisheries and Wildlife Marine
12 Resources and the Director of the Division of Li-
13 censing and Registration, may adopt rules and estab-
14 lish such forms and procedures as are necessary for
15 the efficient administration and enforcement of the
16 excise tax established by this chapter.

17 STATEMENT OF FACT

18 This bill amends the watercraft excise tax laws
19 in the following ways:

20 1. Grants the Commissioner of Inland Fisheries
21 and Wildlife rule-making authority, sections 1 and
22 10;

23 2. Clarifies the definition of registration pe-
24 riod and taxable year, sections 2 and 3;

25 3. Clarifies application of the tax on residents
26 and nonresidents, sections 4 and 5;

27 4. Clarifies the role of the State Tax Assessor
28 in determining a vessel's established base of opera-
29 tion, section 4;

30 5. Establishes a determination and appeals pro-
31 cedure for the improper levy of the tax, section 6;

32 6. Establishes excise tax decals as evidence of
33 tax payments for documented watercraft and the regis-

1 tration sticker for registered watercraft. Also, re-
2 quires the commissioner to make excise tax decals
3 available to municipalities at cost, section 7;

4 7. Allows interest to be charged on delinquent
5 watercraft taxes, sections 8 and 9; and

6 8. Repeals the fine for nonpayment of the excise
7 tax since there is a lien procedure also in the law,
8 section 9.

9 These changes in the watercraft excise tax laws
10 are designed to complement and correspond with
11 changes in the watercraft registration law proposed
12 in a separate bill.

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