

MAINE STATE LEGISLATURE

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FIRST REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

NO. 273

H.P. 221 House of Representatives, February 5, 1987
Reference to the Committee on Taxation suggested and
ordered printed.

EDWIN H. PERT, Clerk
Presented by Representative ZIRNKILTON of Mount Desert.
Cosponsored by Senator TWITCHELL of Oxford.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND EIGHTY-SEVEN

AN ACT to Amend the Watercraft Excise Tax
Law.

1
2
3

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

6 Sec. 1. 12 MRSA §7791, sub-§4-A is enacted to
7 read:

8 4-A. Marina or boat yard owner. "Marina or boat
9 yard owner" means a person who owns a facility that
10 leases storage, docking or mooring space to water-
11 craft.

12 Sec. 2. 12 MRSA §7801, sub-§28, as amended by PL
13 1983, c. 632, Pt. A, §3, is further amended to read:

1 28. Failure to display an excise tax decal. An
2 owner of a watercraft who fails to display the excise
3 tax decal, as required by Title 36, chapter 112, com-
4 mits a civil violation for which a forfeiture of not
5 less than \$25 nor more than \$250 shall be adjudged.
6 In all cases where a person the owner of a watercraft
7 fails to display an excise tax decal as required un-
8 der Title 36, chapter 112, the law enforcement
9 officer discovering the failure shall notify
10 the tax collector of the owner's residence or, in the
11 case of nonresidents, partnerships or corporations,
12 foreign or domestic, the tax collector of the munic-
13 ipality where the watercraft is principally moored,
14 docked or located or has its established base of op-
15 erations.

16 Sec. 3. 12 MRSA §7801, sub-§29 is enacted to
17 read:

18 29. Failure to maintain a list or to make lists
19 available. Where a marina or boat yard owner fails
20 to maintain the list required by Title 36, section
21 1504, subsection 9, or fails to make that list avail-
22 able as required by that section, he commits a civil
23 violation for which a forfeiture of not less than \$25
24 nor more than \$250 shall be adjudged.

25 Sec. 4. 12 MRSA §7901, sub-§9-A is enacted to
26 read:

27 9-A. Violation of section 7801, subsection 29.
28 Violation of section 7801, subsection 29, is not a
29 crime.

30 Sec. 5. 36 MRSA §1503, sub-§4-A is enacted to
31 read:

32 4-A. Marina or boat yard. "Marina or boat yard"
33 means any facility that leases storage, docking or
34 mooring space to watercraft.

35 Sec. 6. 36 MRSA §1504, sub-§1, ¶A, as amended by
36 PL 1985, c. 560, §2, is further amended to read:

37 A. The following tax is assessed based upon the
38 overall length of the watercraft.

1	Overall length of watercraft	
2	to nearest foot.....	Length Tax
3	Watercraft under 13 feet,	
4	all dories regardless of length	
5	and all canoes regardless of	
6	length.....	\$6
7	13 feet.....	7
8	14 feet.....	8
9	15 feet.....	9
10	16 feet.....	11
11	17 feet.....	13
12	18 feet.....	16
13	19 feet.....	19
14	20 feet.....	22 23
15	21 feet.....	26 28
16	22 feet.....	30 33
17	23 feet.....	44 51
18	24 feet.....	48 56
19	25 feet.....	52 61
20	26 feet.....	58 68
21	27 feet.....	64 75
22	28 feet.....	70 82
23	29 feet.....	76 89
24	30 feet.....	82 96
25	31 feet.....	88 103
26	32 feet.....	94 110
27	33 feet.....	100 117
28	34 feet.....	106 125
29	35 feet.....	113 133
30	36 feet.....	120 141
31	37 feet.....	127 149
32	38 feet.....	135 158
33	39 feet.....	142 167
34	40 feet.....	150 177
35	41 feet.....	158 187
36	42 feet.....	168 198
37	43 feet.....	178 210
38	44 feet.....	190 223
39	45 feet.....	202 237
40	46 feet.....	214 252
41	47 feet.....	228 268
42	48 feet.....	242 284
43	49 feet.....	256 301
44	50 feet.....	270 318
45	51 feet.....	285 335
46	and over.....	plus \$15

	for each feet over 51 feet
1	
2	
3	
4	52 feet.....352
5	53 feet.....370
6	54 feet.....388
7	55 feet.....406
8	56 feet.....424
9	57 feet.....442
10	58 feet.....460
11	59 feet.....478
12	60 feet.....496
13	61 feet.....514
14	62 feet.....532
15	63 feet.....550
16	64 feet.....568
17	65 feet.....586
18	and over.....plus \$18
19	for each foot
20	over 65 feet

21 Sec. 7. 36 MRSA §1504, sub-§1, ¶B, as enacted by
 22 PL 1983, c. 632, Pt. A, §7, is amended to read:

23 B. In addition to the length tax, the owner of
 24 any watercraft, other than a canoe, with an over-
 25 all length greater than 13 feet and less than 23
 26 feet shall pay a tax on the total motor horsepow-
 27 er as shown on the watercraft's registration in
 28 accordance with the following schedule:

- 29 (1) Horsepower of 20 or less.....\$2
- 30 (2) Horsepower over 20 but
 31 not over 70.....\$5
- 32 (3) Horsepower over 70.....~~\$10~~\$12.

33 Sec. 8. 36 MRSA §1504, sub-§4, ¶C, as enacted by
 34 PL 1983, c. 92, Pt. B, §9, is repealed.

35 Sec. 9. 36 MRSA §1504, sub-§9, ¶¶D, E and F are
 36 enacted to read:

37 D. Each marina or boat yard leasing storage
 38 space or leasing mooring or docking spaces for 10
 39 or more consecutive days during the period from

1 April 15th of any year and April 15th of the next
2 year to watercraft not registered in the State
3 shall maintain a list of all such watercraft.
4 The list shall contain, with respect to each wa-
5 tercraft:

- 6 (1) The name of the vessel;
7 (2) The name and address of the owner of
8 the watercraft;
9 (3) The state of registration or port of
10 hail;
11 (4) The approximate length of the vessel;
12 and
13 (5) The type of vessel.

14 These lists shall be made available by marinas
15 and boat yards for inspection during normal busi-
16 ness hours by law enforcement officers and by mu-
17 nicipal officials. Marina and boat yard owners
18 must retain these lists for 3 years.

19 E. Upon receipt from the United States Coast
20 Guard of a list of watercraft that have valid ma-
21 rine documents as a watercraft of the United
22 States, and that are moored in this State or
23 owned by State residents, the State Tax Assessor
24 shall send a copy of this list to the tax collec-
25 tor of each municipality.

26 F. The tax imposed by this chapter may be en-
27 forced by any law enforcement officer.

28 Sec. 10. 36 MRSA §1506, as amended by PL 1985,
29 c. 726, §9, is further amended to read:

30 §1506. Rulemaking

31 The Commissioner of Inland Fisheries and Wildlife
32 Bureau of Taxation, after consultation with the Com-
33 missioner of Marine Resources, the Commissioner of
34 Inland Fisheries and Wildlife and the Director of the
35 Division of Licensing and Registration, may adopt
36 rules and establish such forms and procedures as are

1. necessary for the efficient administration and en-
2. forcement of the excise tax established by this chap-
3. ter.

4 STATEMENT OF FACT

5 The purpose of this bill improves the administra-
6 tion and enforcement of the watercraft excise tax by
7 addressing several deficiencies in the current laws.
8 Section 1 of this bill defines the term "marina or
9 boat yard owner."

10 Section 2 facilitates enforcement in several
11 ways. At present, under the Maine Revised Statutes,
12 Title 12, section 7794, a watercraft owner's failure
13 to display the excise tax decal that is required by
14 Title 36, section 1504 is a prohibited act, but there
15 is no penalty, except for an ambiguous \$100 penalty
16 under Title 36, section 1504, subsection 4. Section
17 2 makes it clear that failure to display the required
18 sticker is a civil violation that subjects the owner
19 to a fine ranging from \$25 to \$250. This range is
20 identical to that for traffic infractions, and per-
21 mits flexibility in the levying of a fine. In addi-
22 tion, the term "official" is replaced by "officer,"
23 since the State's laws provide a definition for "law
24 enforcement officer," but not for "law enforcement
25 official."

26 Section 3 adds a new act to the list of prohib-
27 ited acts found in Title 12, section 7801, a boat
28 yard or marina owner's failure to maintain or make
29 available a list of boats to which storage space,
30 mooring space or docking space has been rented. This
31 failure is a civil violation which subjects the owner
32 to a fine of between \$25 and \$250.

33 Section 4 makes it clear that the prohibited act
34 established by section 3 of this bill is not a crime.

35 Section 5 defines the phrase "marina or boat
36 yard."

37 Section 6 contains a new rate schedule that in-
38 creases the horsepower tax on boats below 23 feet in

1 length by \$2 for engines over 70 horsepower. It also
2 increases the excise tax on boats that are 23 feet in
3 length and longer. This increase results in in-
4 creased revenues that replace a portion, but not all,
5 of the tax revenue lost to coastal municipalities
6 when the 111th Legislature changed the nature of the
7 watercraft tax from an ad valorem tax to an excise
8 tax.

9 Section 7 increases the horsepower tax on boats
10 that are greater than 13 feet and less than 23 feet
11 in length by \$2 only for motors with a horsepower
12 that is over 70.

13 Section 8 repeals a provision that assesses a
14 fine of no more than \$100 for failure to pay the wa-
15 tercraft excise tax. This provision is erroneously
16 placed in a subsection for exemptions from the tax,
17 and does not put a penalty on the prohibited act,
18 failing to display an excise tax decal when one is
19 required by law.

20 Section 9 contains provisions that will assist in
21 the administration of the excise tax, particularly
22 with regard to vessels that are documented with the
23 United States Coast Guard and are thereby exempt from
24 state registration. Marina and boat yard owners will
25 maintain a list of all watercraft not registered in
26 the State to which they lease storage space or to
27 which they lease docking or mooring space for a peri-
28 od of 10 or more consecutive days during the period
29 from April 15th of any year to April 15th of the fol-
30 lowing year. Marina and boat yard owners will make
31 this list available for inspection by law enforcement
32 officers and municipal officials, including tax col-
33 lectors, during normal business hours. Marina and
34 boat yard owners will retain these lists for 3 years.
35 Section 9 also makes it clear that any law enforce-
36 ment officer may enforce the watercraft excise tax.

37 Section 10 transfers rule-making authority for
38 administration and enforcement of the watercraft ex-
39 cise tax from the Commissioner of Inland Fisheries
40 and Wildlife to the Bureau of Taxation, where there
41 is a greater expertise in the area of tax administra-
42 tion and enforcement. In developing appropriate
43 rules, the bureau will consult with the Commissioner

1 of Inland Fisheries and Wildlife and the Commissioner
2 of Marine Resources and the Director of the Division
3 of Licensing and Registration.

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