

SENATE BILL 407

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2000 Regular Session
0lr1138
CF 0lr0880

By: **Senator Astle**

Introduced and read first time: February 3, 2000

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 21, 2000

CHAPTER 276

1 AN ACT concerning

2 **Natural Resources - Boat Excise Tax - Certificate of Title**

3 FOR the purpose of altering the definition of "fair market value" under the boat excise
4 tax to eliminate the requirement that a licensed dealer take title to a used vessel
5 that is traded in as part of the consideration for the sale of a new vessel in order
6 to qualify for a certain exclusion from the computation of the boat excise tax
7 under certain circumstances; altering the definition of "fair market value" as to
8 the sale of a vessel by a dealer licensed by another state or a foreign country;
9 and generally relating to the elimination of certain requirements associated
10 with qualifying for a certain exclusion from the computation of the boat excise
11 tax under certain circumstances for the value of a trade-in vessel.

12 BY repealing and reenacting, with amendments,
13 Article - Natural Resources
14 Section 8-716(a)
15 Annotated Code of Maryland
16 (1990 Replacement Volume and 1999 Supplement)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
18 MARYLAND, That the Laws of Maryland read as follows:

19 **Article - Natural Resources**

20 8-716.

21 (a) (1) In this section the following words have the meanings indicated.

22 (2) "Fair market value" means:

1 (i) As to the sale of any vessel by a licensed dealer OR A DEALER
2 LICENSED BY ANOTHER STATE OR A FOREIGN COUNTRY, the total purchase price, as
3 certified by the dealer on a form acceptable to the Department, less the value of any
4 vessel that is traded in as part of the consideration for the sale [and to which the
5 dealer takes title], which trade-in value may not exceed the value for the trade-in
6 vessel as shown in a national publication of used vessel values adopted by the
7 Department;

8 (ii) As to any other vessel that is sold by any person other than a
9 licensed dealer, the greater of:

10 1. The total purchase price; or

11 2. \$100; or

12 (iii) As to any other vessel that is sold by any person other than a
13 licensed dealer, either:

14 1. The total purchase price, if verified by means of a certified
15 bill of sale approved by the Department, in which the actual price paid for the vessel
16 is stated; or

17 2. The valuation shown in a national publication of used
18 vessel values adopted by the Department if a certified bill of sale does not accompany
19 the application.

20 (3) "Used principally in this State" means that this State is the state of
21 principal use as defined in § 8-701(n) of this subtitle, except that in calculating where
22 the vessel is used or used most, a vessel is not considered to be in use for any period
23 of time that it is held for maintenance or repair for 30 consecutive days or more.

24 (4) "Total purchase price" means the price of a vessel, including
25 simultaneously purchased motors, spars, sails, and accessories exclusive of trailer,
26 agreed on by the buyer and seller, with no deduction for trade-in or other
27 nonmonetary consideration.

28 (5) (i) "Vessel" has the meaning indicated in § 8-701(p) of this subtitle.

29 (ii) "Vessel" does not include a ship's lifeboat, a vessel propelled
30 only by sail, or vessel manually propelled.

31 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
32 July 1, 2000.

