

SENATE BILL 58

Q7, M1

(PRE-FILED)

6lr1080
CF HB 14

By: **Senator Astle**

Requested: November 4, 2015

Introduced and read first time: January 13, 2016

Assigned to: Budget and Taxation

Committee Report: Favorable

Senate action: Adopted

Read second time: February 9, 2016

CHAPTER _____

1 AN ACT concerning

2 **Natural Resources – Vessel Excise Tax Cap – Repeal of Termination**

3 FOR the purpose of making permanent a limitation on the amount of the vessel excise tax
4 that may be imposed on any vessel; and generally relating to a certain limitation on
5 the amount of vessel excise tax that may be imposed on any vessel.

6 BY repealing and reenacting, without amendments,
7 Article – Natural Resources
8 Section 8–716(c)
9 Annotated Code of Maryland
10 (2012 Replacement Volume and 2015 Supplement)

11 BY repealing and reenacting, with amendments,
12 Chapter 180 of the Acts of the General Assembly of 2013
13 Section 6

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

16 **Article – Natural Resources**

17 8–716.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (c) (1) Subject to the limitation under paragraph (3) of this subsection and
2 except as provided in § 8-715(d) of this subtitle and in subsections (e) and (f) of this section,
3 and in addition to the fees prescribed in subsection (b) of this section, an excise tax is levied
4 at the rate of 5% of the fair market value of the vessel on:

5 (i) The issuance of every original certificate of title required for a
6 vessel under this subtitle;

7 (ii) The issuance of every subsequent certificate of title for the sale,
8 resale, or transfer of the vessel;

9 (iii) The sale within the State of every other vessel; and

10 (iv) The possession within the State of a vessel used or to be used
11 principally in the State.

12 (2) Notwithstanding the provisions of this subsection, no tax is paid on
13 issuance of any certificate of title if the owner of the vessel for which a certificate of title is
14 sought was the owner of the vessel prior to June 1, 1965, or paid Maryland sales and use
15 tax on the vessel as required by law at the time of acquisition. The Department may require
16 the applicant for titling to submit satisfactory proof that the applicant owned the vessel
17 prior to June 1, 1965.

18 (3) The excise tax imposed under this subsection may not exceed \$15,000
19 for any vessel.

20 Chapter 180 of the Acts of 2013

21 SECTION 6. AND BE IT FURTHER ENACTED, That this Act shall take effect July
22 1, 2013. [Sections 1 and 4] SECTION 4 of this Act shall remain effective for a period of 3
23 years and, at the end of June 30, 2016, with no further action required by the General
24 Assembly, [Sections 1 and 4] SECTION 4 of this Act shall be abrogated and of no further
25 force and effect.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
27 1, 2016.