

HOUSE BILL 338

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M1

2000 Regular Session
(01r0880)

ENROLLED BILL
-- Ways and Means/Budget and Taxation --

Introduced by **Delegates McClenahan, Moe, Cadden, Howard, Conroy,
Bozman, Conway, and Love**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this
____ day of _____ at _____ o'clock, ____ M.

Speaker.

CHAPTER _____

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" to~~
8 ~~apply it to the sale of any vessel by a licensed out of state or foreign dealer;~~
9 ~~requiring the Department of Natural Resources to report to certain committees~~
10 ~~of the General Assembly on or before a certain date as to the sale of a vessel by a~~
11 ~~dealer licensed by another state or a foreign country;~~ and generally relating to
12 the elimination of certain requirements associated with qualifying for a certain
13 exclusion from the computation of the boat excise tax under certain
14 circumstances for the value of a trade-in vessel.

15 BY repealing and reenacting, with amendments,

1 Article - Natural Resources
 2 Section 8-716(a)
 3 Annotated Code of Maryland
 4 (1990 Replacement Volume and 1999 Supplement)

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

7 **Article - Natural Resources**

8 8-716.

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

10 (2) "Fair market value" means:

11 (i) As to the sale of any vessel by a licensed dealer ~~OR A LICENSED~~
 12 ~~OUT OF STATE OR FOREIGN DEALER OR A DEALER LICENSED BY ANOTHER STATE~~
 13 ~~OR A FOREIGN COUNTRY~~, the total purchase price, as certified by the dealer on a form
 14 acceptable to the Department, less the value of any vessel that is traded in as part of
 15 the consideration for the sale [and to which the dealer takes title], which trade-in
 16 value may not exceed the value for the trade-in vessel as shown in a national
 17 publication of used vessel values adopted by the Department;

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

20 1. The total purchase price; or

21 2. \$100; or

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

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

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

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

34 (4) "Total purchase price" means the price of a vessel, including
 35 simultaneously purchased motors, spars, sails, and accessories exclusive of trailer,

1 agreed on by the buyer and seller, with no deduction for trade-in or other
2 nonmonetary consideration.

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

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

6 ~~SECTION 2. AND BE IT FURTHER ENACTED, That the Department of~~
7 ~~Natural Resources shall report to the House Ways and Means Committee and the~~
8 ~~Senate Budget and Taxation Committee on or before July 1, 2001, in accordance with~~
9 ~~§ 2-1246 of the State Government Article, on the fiscal impact of this Act.~~

10 SECTION ~~2.~~ 3. 2. AND BE IT FURTHER ENACTED, That this Act shall take
11 effect July 1, 2000.