

SENATE BILL 407

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2000 Regular Session  
0lr1138  
CF 0lr0880

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By: **Senator Astle**

Introduced and read first time: February 3, 2000

Assigned to: Budget and Taxation

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A BILL ENTITLED

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; and generally relating to the elimination of certain  
8 requirements associated with qualifying for a certain exclusion from the  
9 computation of the boat excise tax under certain circumstances for the value of  
10 a trade-in vessel.

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

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

18 **Article - Natural Resources**

19 8-716.

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

21 (2) "Fair market value" means:

22 (i) As to the sale of any vessel by a licensed dealer, the total  
23 purchase price, as certified by the dealer on a form acceptable to the Department, less  
24 the value of any vessel that is traded in as part of the consideration for the sale [and  
25 to which the dealer takes title], which trade-in value may not exceed the value for  
26 the trade-in vessel as shown in a national publication of used vessel values adopted  
27 by the Department;

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

3 1. The total purchase price; or

4 2. \$100; or

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

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

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

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

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

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

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

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