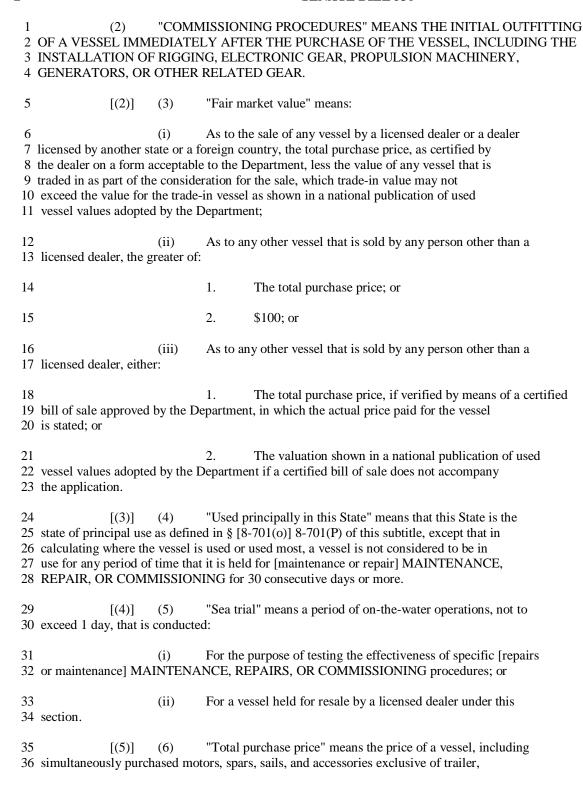
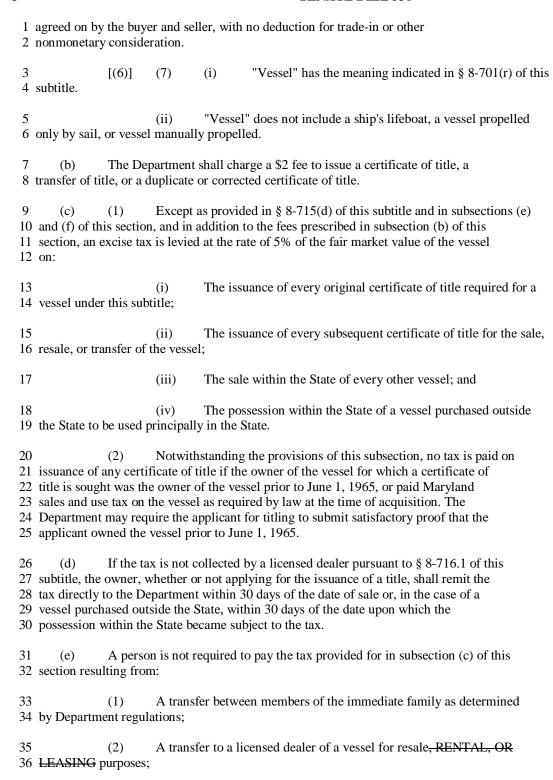
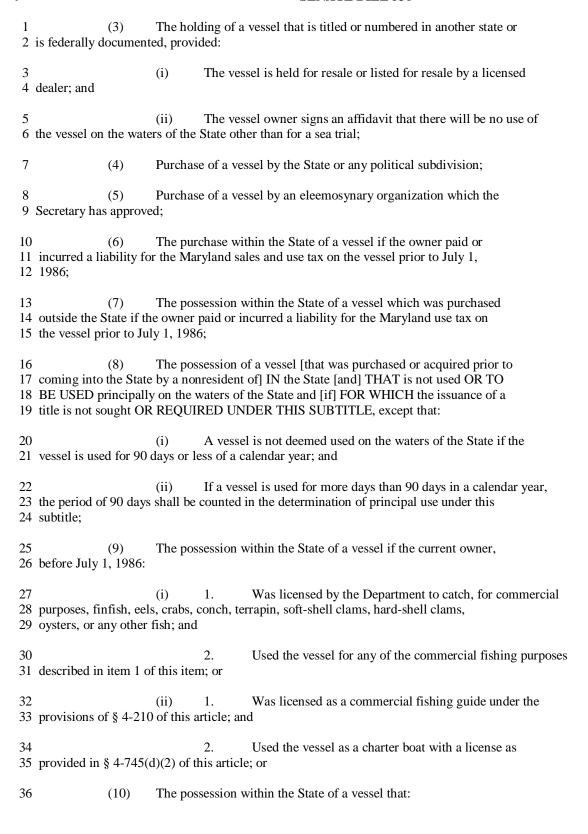
Unofficial Copy Q5 2004 Regular Session 4lr1379 CF 4lr0928

	Senator Astle oduced and read first time: February 6, 2004					
Assigned to: Budget and Taxation						
Committee Report: Favorable with amendments Senate action: Adopted Read second time: March 24, 2004						
	CHAPTER					
1	AN ACT concerning					
2	Vessel Excise Tax - Exemption - Vessel Commissioning					
3 4 5 6 7	FOR the purpose of altering certain exemptions from the vessel excise tax; authorizing the Department of Natural Resources to adopt certain regulations; defining certain terms and altering certain definitions under the State vessel excise tax; making a technical change; and generally relating to the vessel excise tax established under the State Boat Act.					
8 9 10 11 12	10 Section 8-704(a) and 8-716 11 Annotated Code of Maryland					
13 14	13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 14 MARYLAND, That the Laws of Maryland read as follows:					
15	Article - Natural Resources					
16	8-704.					
	(a) The Department may adopt regulations necessary to carry out the provisions of this subtitle, INCLUDING THE DETERMINATION OF THE STATE OF PRINCIPAL USE FOR THE PURPOSE OF ASSESSING THE VESSEL EXCISE TAX.					
20	8-716.					
21	(a) (1) In this section the following words have the meanings indicated.					





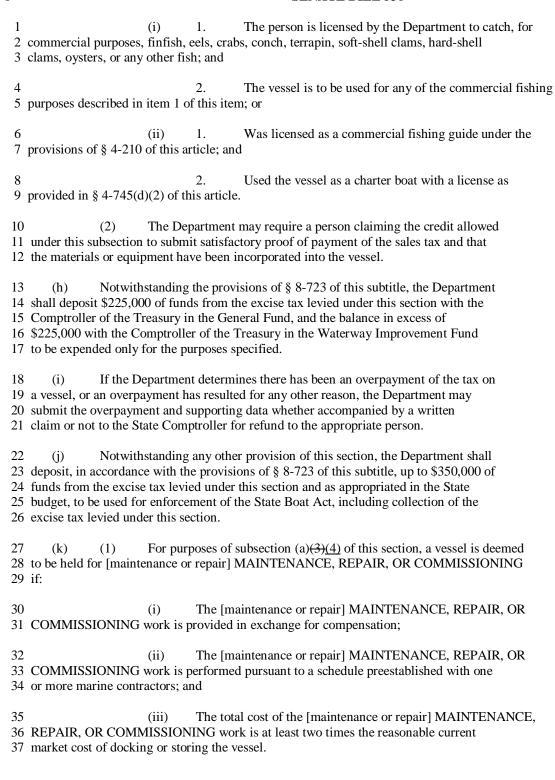
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1		(i)	Is owned by a nonprofit organization that:			
2 3	Revenue Code; and		1.	Is qualified as tax exempt under $\S 501(c)(4)$ of the Internal		
	efforts to contain, clea occurring in United S			Is engaged in providing a program to render its best see mitigate spills of oil or other substances idal waters; and		
7		(ii)	Is used	for the purposes of the organization.		
8	(f) (1)	This sub	absection applies to possession within the State of a vessel if:			
9		(i)	The ves	sel was formerly:		
10			1.	Titled or numbered in another jurisdiction; or		
11 12	jurisdiction;		2.	Federally documented and principally used in another		
13 14	the other jurisdiction	(ii) ; and	The present owner has paid a sales or excise tax on the vessel to			
	The jurisdiction to which the tax was paid would allow an exemption or credit under its sales or excise tax for excise tax on a vessel formerly paid to the State.					
18	(2)	For a ve	ssel desc	ribed in paragraph (1) of this subsection:		
	(i) If the rate of the tax paid to the other jurisdiction is not less than the rate under subsection (c) of this section, the tax imposed under subsection (c) of this section does not apply to possession of the vessel within the State;					
24 25	(ii) If the rate of the tax paid to the other jurisdiction is less than the rate under subsection (c) of this section, the rate of the tax imposed under subsection (c) of this section on possession of the vessel within the State is the difference between the tax rate paid to the other jurisdiction and the rate under subsection (c) of this section; and					
29	(iii) The Department may require the taxpayer to submit satisfactory proof of the payment of a tax to another jurisdiction and the rate of tax paid and, where applicable, evidence of principal use of a federally documented vessel in another jurisdiction.					
31 32	(3) Maryland boat excise			s applicable to any vessel incurring a liability for ly 1, 1986.		
35	(g) (1) A person may claim a credit against any tax imposed under subsection (c) of this section on a vessel for sales tax the person has paid to the State, to another state, or to the District of Columbia on materials and equipment that are incorporated into the vessel, if:					

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- 1 (2) Time spent conducting sea trials shall be included when calculating 2 the period of time a vessel is held for [maintenance or repair] MAINTENANCE, 3 REPAIR, OR COMMISSIONING under subsection (a)(3)(4) of this section.

- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 5 July 1, 2004.