

Chapter 656

(Senate Bill 58)

AN ACT concerning

Natural Resources – Vessel Excise Tax Cap – Amount and Repeal of Termination

FOR the purpose of making permanent a *certain* limitation on the amount of the vessel excise tax that may be imposed on any vessel; *requiring that the maximum amount of the excise tax imposed for any vessel be increased by a certain amount each year on a certain date*; and generally relating to a certain limitation on the amount of vessel excise tax that may be imposed on any vessel.

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

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

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

Article – Natural Resources

8–716.

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

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

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

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

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

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

(3) (I) ~~The~~ **SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH,** **THE** excise tax imposed under this subsection may not exceed \$15,000 for any vessel.

(II) **THE MAXIMUM AMOUNT OF THE EXCISE TAX IMPOSED FOR ANY VESSEL AS SPECIFIED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE INCREASED BY \$100 ON:**

1. **JULY 1, 2016; AND**
2. **JULY 1 OF EACH SUBSEQUENT YEAR.**

Chapter 180 of the Acts of 2013

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

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

Enacted under Article II, § 17(c) of the Maryland Constitution, May 28, 2016.