CHAPTER 112

WATERCRAFT EXCISE TAX

§1501. Purpose

The purpose of this chapter is to levy an excise tax upon the owner of any watercraft, not otherwise exempt, for the privilege of operating a watercraft upon the waters of this State. [PL 1983, c. 92, Pt. B, §9 (NEW).]

REVISOR'S NOTE: The 1983 repealer was removed by Proclamation of the Governor on November 26, 1984. This section remains in effect and is not affected by the repealed 1983 laws.

SECTION HISTORY

PL 1983, c. 92, §B9 (NEW). PL 1983, c. 632, §§B6,B7 (RP).

§1502. Excise tax in lieu of property taxes

The excise tax imposed by this chapter is in lieu of all property taxes on watercraft. [PL 1983, c. 92, Pt. B, §9 (NEW).]

1. Collection; reimbursement.

[PL 1983, c. 632, Pt. A, §6 (NEW); PL 1983, c. 632, Pt. A, §16 (RP).]

REVISOR'S NOTE: The 1983 repealer was removed by Proclamation of the Governor on November 26, 1984. This section remains in effect and is not affected by the repealed 1983 laws.

SECTION HISTORY

PL 1983, c. 92, §B9 (NEW). PL 1983, c. 632, §§A6,A16,B6, B7 (AMD).

§1503. Definitions

As used in this chapter, unless the context indicates otherwise, the following terms have the following meanings. [PL 1983, c. 92, Pt. B, §9 (NEW).]

1. Commercial vessel. "Commercial vessel" means any type of watercraft used exclusively in a business or trade:

A. Is required to be registered under Title 12, section 13056; or [PL 2003, c. 414, Pt. B, §54 (AMD); PL 2003, c. 614, §9 (AFF).]

B. Is documented under the laws of the United States. [PL 1983, c. 92, Pt. B, §9 (NEW).]
[PL 2003, c. 414, Pt. B, §54 (AMD); PL 2003, c. 614, §9 (AFF).]

1-A. Canoe. "Canoe" has the same definition as that set out in Title 12, section 1872, subsection 2.
[PL 1997, c. 678, §22 (AMD).]

2. Commissioner. "Commissioner" means the Commissioner of Inland Fisheries and Wildlife.
[PL 1985, c. 726, §1 (AMD).]

3. Director. "Director" means the Director of the Division of Licensing, Registration and Engineering, Department of Inland Fisheries and Wildlife.
[PL 2009, c. 340, §28 (AMD).]

3-A. Dory. "Dory" means an unpowered, double-ended boat used exclusively for the transport and storage of fishing gear.
[PL 1985, c. 560, §1 (NEW).]

4. Established base of operations. An "established base of operations" means the location where a commercial vessel has its primary relationship with a municipality. Among the factors identifying a primary relationship are the locations at which the vessel is primarily moored or docked, where it prepares for expeditions and hires a crew and to which it regularly returns for repairs, supplies and activities relating to its business or trade. The fact that a commercial vessel carries on one or more of the activities, as mentioned in this subsection, at more than one location within this State or carries on one or more of the activities, enumerated in this subsection, at a location or locations outside this State shall not prevent it from being deemed to have an established base of operations within the State, if a substantial portion of these activities are carried on at a location or locations within this State.
[PL 1983, c. 92, Pt. B, §9 (NEW).]

4-A. Marina or boat yard.
[PL 2019, c. 501, §27 (RP).]

5. Overall length. "Overall length" means the horizontal distance stated in feet and defined as the straight line measurement over the deck, excluding sheer, from the foremost part of the watercraft to the aftermost part, measured parallel to the centerline, excluding outboard motors, brackets, bowsprits, rudders and similar attachments. For any watercraft documented under the laws of the United States, overall length means the registered length of the vessel as set forth in the document issued to its owner by the United States Coast Guard.
[PL 1983, c. 92, Pt. B, §9 (NEW).]

6. Owner. "Owner" means a person or persons claiming lawful possession of a watercraft by virtue of legal title, equitable interest or a leasehold interest in the watercraft.
[PL 1983, c. 92, Pt. B, §9 (NEW).]

7. Principally moored, docked or located. "Principally moored, docked or located" means the place where a watercraft, other than a commercial vessel, is usually moored, docked, anchored or located during the period from June 1st to August 31st.
[PL 1983, c. 92, Pt. B, §9 (NEW).]

8. Registration period.
[PL 1995, c. 695, §3 (RP).]

8-A. Registration period.

[PL 1997, c. 324, §3 (RP); PL 1997, c. 324, §7 (AFF).]

8-B. Registration period. "Registration period" means from January 1st to December 31st of the year for which the certificate of number is issued pursuant to Title 12, section 13056.
[PL 2003, c. 414, Pt. B, §55 (AMD); PL 2003, c. 614, §9 (AFF).]

9. Taxable year. "Taxable year" means from January 1st to December 31st.
[PL 1997, c. 324, §5 (AMD); PL 1997, c. 324, §7 (AFF).]

10. Watercraft. "Watercraft" means any type of vessel, boat, canoe or craft capable of being used as a means of transportation on water, other than a seaplane, including motors, electronic and mechanical equipment and other machinery, whether permanently or temporarily attached, and which are customarily used in the operations of the watercraft. Watercraft does not include a vessel, boat, canoe or craft located and intended to be permanently docked in one location and not used as a means of transportation on water.
[PL 1983, c. 572, §§8, 12 (AMD).]

REVISOR'S NOTE: The 1983 repealer was removed by Proclamation of the Governor on November 26, 1984. This section remains in effect and is not affected by the repealed 1983 laws.

SECTION HISTORY

PL 1983, c. 92, §B9 (NEW). PL 1983, c. 572, §§6-8,12 (AMD). PL 1983, c. 632, §§B6,B7 (RP). PL 1983, c. 819, §A59 (AMD). PL 1985, c. 560, §1 (AMD). PL 1985, c. 726, §§1-3 (AMD). PL 1987, c. 196, §5 (AMD). PL 1995, c. 695, §§3,4 (AMD). PL 1997, c. 324, §§3-5 (AMD). PL 1997, c. 324, §7 (AFF). PL 1997, c. 678, §22 (AMD). PL 2003, c. 414, §§B54,55 (AMD). PL 2003, c. 414, §D7 (AFF). PL 2003, c. 614, §9 (AFF). PL 2009, c. 340, §28 (AMD). PL 2019, c. 501, §27 (AMD).

§1504. Excise tax

1. Payment schedule. The owner of a watercraft located in this State that is not exempt under subsection 4 shall pay an annual excise tax within 10 days of the first operation of the watercraft upon the waters of this State, or prior to obtaining a certificate of number pursuant to Title 12, section 13056, or prior to July 1st, whichever event first occurs, based on the following schedules.

A. The following tax is assessed based upon the overall length of the watercraft.

Overall length of watercraft to nearest foot.....Length Tax

Watercraft under 13 feet, all dories regardless of length and all canoes regardless of length.....$6

13 feet.....7

14 feet.....8

15 feet.....9

16 feet.....11

17 feet.....13

18 feet.....16

19 feet.....19

20 feet.....22

21 feet.....26

22 feet.....30

23 feet.....51

24 feet.....56

25 feet.....61

26 feet.....68

27 feet.....75

28 feet.....82

29 feet.....89

30 feet.....96

31 feet.....103

32 feet.....110

33 feet.....117

34 feet.....125

35 feet.....133

36 feet.....141

37 feet.....149

38 feet.....158

39 feet.....167

40 feet.....177

41 feet.....187

42 feet.....198

43 feet.....210

44 feet.....223

45 feet.....237

46 feet.....252

47 feet.....268

48 feet.....284

49 feet.....301

50 feet.....318

51 feet.....335

52 feet.....352

53 feet.....370

54 feet.....388

55 feet.....406

56 feet.....424

57 feet.....442

58 feet.....460

59 feet.....478

60 feet.....496

61 feet.....514

62 feet.....532

63 feet.....550

64 feet.....568

65 feet.....586

and over.....plus $18 for each foot over 65 feet [PL 1987, c. 196, §6 (AMD).]

B. In addition to the length tax, the owner of any watercraft, other than a canoe, with an overall length greater than 13 feet and less than 23 feet shall pay a tax on the total motor horsepower as shown on the watercraft's registration in accordance with the following schedule:

(1) Horsepower of 20 or less.....$2

(2) Horsepower over 20 but not over 70.....$5

(3) Horsepower over 70.....$12. [PL 1987, c. 196, §7 (AMD).]

C. [PL 1983, c. 572, §9 (RP).]

D. [PL 1983, c. 572, §9 (RP).]

E. [PL 1983, c. 572, §9 (RP).]

F. [PL 1983, c. 572, §9 (RP).]

G. [PL 1983, c. 572, §9 (RP).]

H. [PL 1983, c. 572, §9 (RP).]

I. [PL 1983, c. 572, §9 (RP).]

J. [PL 1983, c. 572, §9 (RP).]

K. [PL 1983, c. 572, §9 (RP).]

L. [PL 1983, c. 572, §9 (RP).]

M. [PL 1983, c. 572, §9 (RP).]

N. [PL 1983, c. 572, §9 (RP).]

O. [PL 1983, c. 572, §9 (RP).]

[PL 2011, c. 240, §15 (AMD).]

2. Reduction in tax. The amount of excise tax payable shall be reduced as follows.

A. For any commercial vessel, the tax payable shall be 50% of the value due under subsection 1. [PL 1983, c. 92, Pt. B, §9 (NEW).]

B. For all other watercraft, the tax payable shall be reduced 20% when the watercraft is over 10 years of age and shall be reduced 40% when the watercraft is over 20 years of age. [PL 1983, c. 92, Pt. B, §9 (NEW).]

C. Any depreciation allowed under this subsection may not reduce the total tax below $12. [PL 1983, c. 572, §§10, 12 (NEW).]

D. The tax payable for a watercraft registered to a new owner after September 1st of any year is 50% of the amount due under subsection 1. [PL 1997, c. 668, §21 (AMD).]

[PL 1997, c. 668, §21 (AMD).]

3. Payment of tax. The excise tax shall be paid as follows.

A. If the watercraft is owned by an individual resident of this State, the excise tax shall be paid to the municipality where the owner resides. The excise tax for watercraft owned by residents of Indian reservations shall be paid to the tribal clerks. [PL 1983, c. 92, Pt. B, §9 (NEW).]

B. If the watercraft is owned by an individual who is a nonresident of this State or by a partnership or corporation, domestic or foreign, the excise tax shall be paid to the municipality where the watercraft is principally moored, docked or located or has its established base of operations. [PL 1983, c. 92, Pt. B, §9 (NEW).]

C. The State Tax Assessor shall determine a vessel's established base of operation if 2 or more municipalities disagree over which taxing jurisdiction has the right to tax a particular vessel. The State Tax Assessor's decision shall be final. [PL 1985, c. 726, §4 (AMD).]

D. Beginning April 1, 1984, upon payment of the excise tax, the municipality shall certify on forms provided by the Department of Inland Fisheries and Wildlife that the excise tax has been paid. The municipality may withhold certification that the excise tax has been paid until all outstanding taxes due under this chapter for the current year have been paid. [PL 1999, c. 304, §1 (AMD).]

[PL 1999, c. 304, §1 (AMD).]

4. Exemptions. The following shall be exempt from the tax imposed by this section:

A. Lifeboats or life rafts customarily carried or required to be carried by a watercraft for purposes of rescuing the occupants of the watercraft in case of danger; [PL 1983, c. 92, Pt. B, §9 (NEW).]

B. Watercraft held by registered retailers as demonstrators or stock-in-trade; [PL 1983, c. 862, §84 (AMD).]

C. Watercraft which were exempt from taxation under Title 36, chapter 105 on April 1, 1983; [PL 1983, c. 92, Pt. B, §9 (NEW).]

D. Commercial vessels without an established base of operations in this State and all other watercraft which are not within this State more than 75 days during the year; and [PL 1983, c. 92, Pt. B, §9 (NEW).]

E. Watercraft 20 feet or less in length that are not required to be registered under Title 12, section 13056. [PL 2003, c. 414, Pt. B, §57 (AMD); PL 2003, c. 614, §9 (AFF).]

[PL 2003, c. 414, Pt. B, §57 (AMD); PL 2003, c. 614, §9 (AFF).]

5. Credits. Any owner who has paid the excise tax for a watercraft which is subsequently totally lost by fire, theft or accident in the same year, shall be entitled to a pro rata credit for the tax previously paid in that period for any one watercraft toward the tax for any number of watercraft.

A. The credit shall be allowed in any place in which the excise tax is payable. [PL 1983, c. 92, Pt. B, §9 (NEW).]

B. No portion of any excise tax once paid may be repaid to any person by reason of the loss of a watercraft. [PL 1983, c. 92, Pt. B, §9 (NEW).]

C. For purposes of this subsection, the term "owner" includes the surviving spouse. [PL 1983, c. 92, Pt. B, §9 (NEW).]

[PL 1983, c. 92, Pt. B, §9 (NEW).]

5-A. Credit for transfer. Any owner who has paid the excise tax for a watercraft which is transferred in the same tax year is entitled to a credit to the maximum amount of the tax previously paid in that year for any number of watercraft, regardless of the number of transfers which may be required of him in the same tax year. The credit shall be allowed in any place in which the excise tax is payable.
[PL 1987, c. 196, §8 (NEW).]

6. Watercraft not required to register.

[PL 1983, c. 632, Pt. A, §9 (RP).]

6-A. Improper levy of tax. If a municipality or watercraft owner believes the excise tax has been improperly levied under the authority of this section, the municipality or watercraft owner may request a determination of this question by the State Tax Assessor. The State Tax Assessor's determination is binding on all parties. Any party may seek review of the determination in accordance with the Maine Rules of Civil Procedure, Rule 80B.
[PL 1985, c. 726, §5 (NEW).]

7. Evidence of tax payment. Each watercraft, required to pay the excise tax established by this chapter but not required to be registered under Title 12, section 13056, must display a current excise tax decal as directed by the commissioner. A current excise tax decal must be issued by the municipal tax collector or tribal clerk upon the payment of all excise taxes due under this chapter. The commissioner shall make excise tax decals available at cost to municipalities and Indian reservations. For watercraft required to be registered under Title 12, section 13056, the registration sticker is considered evidence of tax payment.
[PL 2003, c. 414, Pt. B, §58 (AMD); PL 2003, c. 614, §9 (AFF).]

7-A. Interest on delinquent taxes. Any tax assessed under this chapter which is not paid when due shall accrue interest at the rate set for municipal property taxes for the year during which the excise tax is due.
[PL 1985, c. 726, §7 (NEW).]

8. Lien. If the tax imposed by this chapter is not paid when due, the tax collector may file in the office of the registry of deeds of the county where the owner of the watercraft resides or in the case of a nonresident owner or partnership or corporation, either domestic or foreign, where the watercraft is principally moored, docked or located or has its established base of operations, or in the office in which a security or financial statement or notice with respect to personal property would be filed, a notice of lien specifying the amount of the tax, addition to tax, penalty and interest due, the name and last known address of the taxpayer liable for the amount and the fact that the tax collector has complied with this chapter in the assessment of the tax. From the time of the filing, the amount set forth in the certificate constitutes a lien upon all property of the taxpayer, in the county then owned by him or thereafter acquired by him in the period before the expiration of the lien. In the case of any prior mortgage on any real or personal property so written as to secure a present debt and also future advances by the mortgagee to the mortgagor, the lien, as provided in this subsection, when notice thereof has been filed in the proper office, shall be subject to the prior mortgage, unless the assessor also notifies the mortgagee of the recording of the lien in writing, in which case any indebtedness thereafter created from the mortgagor to the mortgagee shall be junior to the lien provided in this subsection. The lien, provided in this subsection, has the same force, effect and priority as a judgment lien and shall continue for 5 years from the date of recording, unless sooner released or otherwise discharged. The lien may, within the 5-year period or within 5 years from the date of the last extension of the lien in the manner provided in this section, be extended by filing for record in the appropriate office, a copy of the notice and from the time of that filing the lien shall be extended for 5 years, unless sooner released or otherwise discharged.
[PL 1983, c. 92, Pt. B, §9 (NEW).]

9. Enforcement. General enforcement provisions are as follows.

A. Beginning March 1, 1984, payment of the excise tax and accrued interest, where applicable, is a prerequisite for obtaining a certificate of number of a watercraft under Title 12, section 13056, and no registration may be renewed until all excise taxes and accrued interest, where applicable, with respect to the watercraft have been paid in accordance with this chapter. [PL 2003, c. 414, Pt. B, §59 (AMD); PL 2003, c. 614, §9 (AFF).]

B. The provisions of chapters 7 and 835 shall apply with like effect to collecting the tax and enforcing this chapter in the unorganized territory. [PL 1985, c. 726, §8 (AMD).]

C. [PL 1985, c. 726, §8 (RP).]

D. Any person leasing, selling or otherwise providing for consideration storage , mooring or docking spaces for 10 or more consecutive days during the period from April 15th of any year and April 15th of the next year to watercraft not registered in the State shall maintain a list of all such watercraft. The list must contain, with respect to each watercraft:

(1) The name of the vessel;

(2) The name and address of the owner of the watercraft;

(3) The state of registration or port of hail;

(4) The approximate length of the vessel; and

(5) The type of vessel.

A person required by this section to maintain a list of watercraft must retain the list for 3 years and must make the list available for inspection during normal business hours by law enforcement officers and by municipal officials. [PL 2017, c. 211, Pt. A, §13 (AMD).]

E. Upon receipt from the United States Coast Guard of a list of watercraft that have valid marine documents as a watercraft of the United States, and that are moored in this State or owned by State residents, the State Tax Assessor shall send a copy of this list to the tax collector of each municipality. [PL 1987, c. 196, §9 (NEW).]

[PL 2017, c. 211, Pt. A, §13 (AMD).]

10. Reimbursement.

[PL 1983, c. 632, Pt. A, §16 (RP).]

REVISOR'S NOTE: The 1983 repealer was removed by Proclamation of the Governor on November 26, 1984. This section remains in effect and is not affected by the repealed 1983 laws.

SECTION HISTORY

PL 1983, c. 92, §B9 (NEW). PL 1983, c. 572, §§9-12 (AMD). PL 1983, c. 632, §§A7-11,16, B6,7 (AMD). PL 1983, c. 862, §84 (AMD). PL 1983, c. 866, §A1 (AMD). PL 1985, c. 560, §2 (AMD). PL 1985, c. 726, §§4-8 (AMD). PL 1987, c. 196, §§6-9 (AMD). PL 1997, c. 324, §6 (AMD). PL 1997, c. 324, §7 (AFF). PL 1997, c. 668, §21 (AMD). PL 1999, c. 304, §1 (AMD). PL 2003, c. 414, §§B56-59 (AMD). PL 2003, c. 414, §D7 (AFF). PL 2003, c. 614, §9 (AFF). PL 2011, c. 240, §15 (AMD). PL 2017, c. 211, Pt. A, §13 (AMD).

§1505. Unorganized territory

For the purposes of this chapter, the unorganized territory shall be treated as a municipality. All excise tax payments for watercraft owned by residents of the unorganized territory, nonresidents or a partnership or corporation, domestic or foreign, and principally moored, docked or located or with an established base of operations in the unorganized territory shall be collected and distributed in the same manner as the motor vehicle excise tax. [PL 1985, c. 459, Pt. C, §13 (AMD).]

REVISOR'S NOTE: The 1983 repealer was removed by Proclamation of the Governor on November 26, 1984. This section remains in effect and is not affected by the repealed 1983 laws.

SECTION HISTORY

PL 1983, c. 92, §B9 (NEW). PL 1983, c. 632, §§B6,B7 (RP). PL 1985, c. 459, §C13 (AMD).

§1506. Rulemaking

After consultation with the Commissioner of Marine Resources, the Commissioner of Inland Fisheries and Wildlife and the Director of the Division of Licensing , Registration and Engineering within the Department of Inland Fisheries and Wildlife, the State Tax Assessor may adopt rules and establish forms and procedures as necessary for the efficient administration and enforcement of the excise tax imposed by this chapter. Rules adopted pursuant to this section are routine technical rules for the purposes of Title 5, chapter 375, subchapter 2-A. [PL 2009, c. 496, §13 (AMD).]

REVISOR'S NOTE: The 1983 repealer was removed by Proclamation of the Governor on November 26, 1984. This section remains in effect and is not affected by the repealed 1983 laws.

SECTION HISTORY

PL 1983, c. 92, §B9 (NEW). PL 1983, c. 632, §§B6,B7 (RP). PL 1983, c. 819, §A60 (AMD). PL 1985, c. 726, §9 (AMD). PL 1987, c. 196, §10 (AMD). PL 1997, c. 526, §14 (AMD). PL 2009, c. 496, §13 (AMD).

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