

HOUSE No. 2543

The Commonwealth of Massachusetts

PRESENTED BY:

Geoff Diehl

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act relative to marine vessels.

PETITION OF:

| NAME: | DISTRICT/ADDRESS: |
|--------------------------|--|
| <i>Geoff Diehl</i> | <i>7th Plymouth</i> |
| <i>Josh S. Cutler</i> | <i>6th Plymouth</i> |
| <i>Timothy R. Madden</i> | <i>Barnstable, Dukes and Nantucket</i> |

HOUSE No. 2543

By Mr. Diehl of Whitman, a petition (accompanied by bill, House, No. 2543) of Geoff Diehl, Josh S. Cutler and Timothy R. Madden relative to the excise tax on marine vessels. Revenue.

The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

An Act relative to marine vessels.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 60B of the General Laws, as appearing in the 2010 Official
2 Edition, is hereby amended by striking out sections 1 through 6 and inserting in place thereof the
3 following new sections:-

4 Section 1. As used in this chapter, the following words shall, unless the context clearly
5 requires otherwise, have the following meanings:

6 “Commissioner”, the commissioner of revenue.

7 “Director”, the director of the division of law enforcement of the department of fisheries,
8 wildlife and environmental law enforcement.

9 “Habitually moored or docked”, the place where the owner has usual mooring or
10 dockage during July and August for the summer season.

11 “Principally situated”, for a registered ship or vessel where it is registered, and for a non
12 registered ship or vessel, whether documented or not, the city or town in Massachusetts where it
13 is principally located during the year.

14 “Vessel”, every watercraft, including documented boats and ships, used or capable of
15 being used as a means of transportation on water, and includes all equipment, including mode of
16 power, and furnishings that are normally required aboard the vessel during accomplishment of
17 the functions for which the vessel is being utilized.

18 Section 2. (a) Except as hereinafter provided there shall be assessed and levied by each
19 city and town in each fiscal year on every vessel, regardless of registration of origin and its

20 equipment, for the privilege of using the waterways of the commonwealth, an excise measured
21 by the value thereof, as hereinafter defined and determined, at the rate of 5 dollars per 1000 of
22 valuation, provided, that the excise imposed by this section shall in no event be less than 5
23 dollars or exceed 2,000 dollars.

24 (b) Any person who owns such a vessel on July 1 shall annually, on or before September
25 1, make a return on oath to the assessors of the city or town where such vessel is habitually
26 moored or docked or in the case of a vessel which has no mooring or docking space, where said
27 vessel is principally situated, setting forth the vessel's registration or documentation number, if
28 any; an adequate description, and the place of habitual mooring or docking or other principal
29 location of said vessel.

30 (c) For the purpose of the excise, the value of each vessel, and its equipment, including
31 any engine or motor used to propel said vessel, shall be deemed to be the value, as determined by
32 the commissioner, of vessels and equipment of the same make, type, model and year of
33 manufacture as designated by the manufacturer, but not in excess of the following percentages of
34 the list price established by the manufacturer for the year of manufacture:-

- 35 In the year of manufacture.....50%
- 36 In the second year.....40%
- 37 In the third year.....30%
- 38 In the fourth year.....20%
- 39 In the fifth and succeeding years.....10%

40 The commissioner shall, as he deems best, make available to the local assessors the
41 information showing the values as determined under this subsection.

42 (d) The payment of such excise shall exempt such owner from any other tax applicable to
43 said vessels and their equipment under chapter 59.

44 (e) If an owner fails to make such a return within the time herein provided, the assessors
45 may abate the tax otherwise imposed by this chapter if such owner provides the assessors with a
46 reasonable excuse for failure to file such return and if the return is filed on or before October 31
47 of the year in which the tax is assessed; but no abatement hereunder shall reduce the tax
48 otherwise imposed to an amount less than the sum of the excise imposed by this section plus 50
49 per cent thereof.

50 (f) Said excise shall be assessed in the city or town where the vessel is habitually moored
51 or docked, or in the case of a ship or vessel which has no mooring or docking space, where the
52 ship or vessel is principally situated; provided, however, that if more than 1 municipality owns
53 property in a harbor, the municipality which maintains such harbor in which the vessel is

54 habitually moored, docked or situated shall assess and collect said excise; and provided, further,
55 that where more than 1 municipality maintains portions of the harbor, the municipality which
56 maintains that portion of the harbor in which the vessel is habitually moored, docked or situated
57 shall assess and collect said excise.

58 (g) Nothing in this section shall be construed to prevent the board of assessors from
59 granting an abatement in any case in which the excise aforesaid is, in the opinion of the board,
60 excessive. No abatement under this section shall reduce any excise to less than 5 dollars; no
61 abatement shall be granted in an amount less than 5 dollars and no refund shall be paid in an
62 amount less than 5 dollars.

63 (h) If during any fiscal year ownership of a vessel subject to an excise under this chapter
64 is transferred by sale or otherwise and the registration of such vessel is surrendered, or if during
65 any fiscal year the owner of a vessel subject to such an excise removes to another state and
66 registers a vessel in such other state and surrenders or does not renew his registration in this
67 state, the excise under this chapter shall be reduced, upon application, by an abatement equal to
68 the proportion of an excise under this chapter on such vessel for the full fiscal year which the
69 number of months in said year remaining after the month in which such transfer by sale or
70 otherwise or such surrender or expiration of registration occurs bears to 12.

71 (i) All sums received from the excise imposed under this chapter shall be paid into the
72 treasury of the city or town and 50 per cent of said excise shall be credited to the municipal
73 waterways improvement and maintenance fund established under section 5G of chapter 40.

74 Section 3. The excise imposed by this chapter shall not apply to vessels described in
75 section 8 of chapter 59 and in section 67 of chapter 63; to vessels owned by the commonwealth
76 or any political subdivision thereof; to law enforcement vessels; to vessels under construction; to
77 ferries; to boats, fishing gear and nets, with a value of 50 thousand dollars or less, owned and
78 actually used by the owner in the prosecution of his business if engaged in commercial fishing
79 and if no less than 50 per cent of his income is from commercial fishing; nor to other vessels
80 with a value of 1 thousand dollars or less. Said exemptions shall not subject said vessels and their
81 equipment to any other tax under chapter 59.

82 Section 4. The board of assessors, upon assessing the excise imposed by this chapter,
83 shall commit the same to the collector of taxes with their warrant for the collection thereof. The
84 collector of taxes shall seasonably notify the owner of the excise assessed and the due date, but
85 failure to receive notice shall not affect the validity of the excise. Said excise shall be due and
86 payable at the expiration of 60 days from the date upon which the notice was issued by the
87 collector pursuant to this chapter.

88 Failure to pay said excise by the due date shall result in a penalty being imposed which
89 shall be equal to 20 dollars or 20 per cent of the amount of the excise due, whichever is greater.
90 The penalty shall be in addition to the amount of excise due and any interest thereon imposed by

91 law. If said excise remains unpaid after the due date, the harbormaster of a city or town shall
92 refuse to allow the vessel to moor, dock, or otherwise be situated within the waterways of said
93 city or town. All sums received from said penalty shall be credited to the municipal waterways
94 improvement and maintenance fund established under section 5G of chapter 40.

95 Section 5. The provisions of law relative to the collection, payment, abatement,
96 verification and administration of the motor vehicle excise imposed under chapter 60A shall so
97 far as pertinent apply to the excise imposed under this chapter.

98 Section 5A. No owner of a vessel shall be issued a registration decal or certificate of
99 number, or renewal of such decal or certificate, under sections 2A and 3 of chapter 90B unless
100 the owner has included with the application for such decal or certificate proof of payment of the
101 full amount of the excise assessed for the prior fiscal year for any vessel for which the owner has
102 a decal or certificate on July 1 of such year. Upon failure of the applicant to provide such proof
103 of payment, or receipt of such other notice of non-payment made by the local tax collector that
104 the director may determine, the director shall place the matter on record and not issue or renew a
105 registration decal or certificate of number for any vessel owned by the person to whom the
106 unpaid excise tax was assessed until after notice from the local tax collector that the matter has
107 been disposed of in accordance with law. The provisions of section 2A of chapter 60A shall
108 apply to any notifications of non-payment made by the local tax collector.

109 Section 6. The director shall annually, on or before October 1, transmit to the board of
110 assessors of each city and town a list of all ships or vessels which were documented or registered
111 on the immediately preceding July 1. The list shall include for each vessel, the name and
112 residential address of the owner, if an individual, or name and principal place of business, if a
113 corporation, partnership or other entity, the city or town in which the vessel is habitually moored
114 or docked, the name of the manufacturer, the year of manufacture as designated by the
115 manufacturer, the model type, the length, the horsepower of the engine or motor used to propel
116 the vessel, the document number or certificate of number and the value as determined by the
117 commissioner. The director may require from the owner such information as may be necessary
118 for purposes of this chapter.

119 SECTION 2. Chapter 90B of the General Laws, as appearing in the 2010 Official
120 Edition, is hereby amended by inserting after section 2 the following section:-

121 Section 2A. The owner of a vessel, which has a valid marine document issued by the
122 Bureau of Customs of the United States or any federal agency successor thereto and is
123 homeported in the commonwealth or maintained in commonwealth waters by a resident of the
124 commonwealth, shall apply to the director on a form prescribed him for a registration decal or
125 renewal thereof. The application shall be signed by the owner of the vessel and submitted to the
126 director together with a fee, as determined annually by the commissioner of administration under
127 the provision of section 3B of chapter 7.

128 The registration decal shall be displayed, so as to be visible to any law enforcement
129 officer, on the upper left section of the transom while facing the transom.

130 Registration decal information for such documented vessels shall be maintained by the
131 department and transmitted to the board of assessors of each city and town for the purposes of
132 assessing the excise imposed by chapter 60B.

133 This section shall not apply to owners of vessels documented for commercial use.

134 SECTION 3. Section 3 of Chapter 90B of the General Laws, as appearing in the 2010
135 Official Edition, is hereby amended by adding the following subsection:-

136 (1) Registration information for such motorboats shall be maintained by the department
137 and transmitted to the board of assessors of each city and town for the purposes of assessing the
138 excise imposed by chapter 60B.

139 SECTION 4. This act shall apply to excises assessed for any fiscal year beginning on or
140 after July 1, 2014.