

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section(s) 8-716(f) through (h), respectively, of Article - Natural Resources of the Annotated Code of Maryland be renumbered to be Section(s) 8-716(g) through (i), respectively.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article - Natural Resources

8-716.

(c) (1) Except as provided in subsection (d) of § 8-715 and in subsection (e) 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 percent of the fair market value of the vessel on the issuance of every original certificate of title required for a vessel under this subtitle, on the issuance of every subsequent certificate of title for the sale, resale, or transfer of the vessel, upon the sale within this State of every other vessel and upon the possession within this State of a vessel purchased outside this State to be used principally in this State.

(e) A person is not required to pay the tax provided for in subsection (c) resulting from:

(1) A transfer between members of the immediate family as determined by Department regulations;

(2) A transfer to a licensed dealer of a vessel for resale, rental, or lease purposes;

(3) Purchase of a vessel by the State or any political subdivision; [or]

(4) Purchase of a vessel by an eleemosynary organization which the Secretary has approved[.];

(5) The purchase within this State of a vessel if the owner paid or incurred a liability for the Maryland retail sales tax on the vessel prior to July 1, 1986[.];

(6) The possession within this State of a vessel which was purchased outside this State if the owner paid or incurred a liability for the Maryland Use Tax on the vessel prior to July 1, 1986[.];

(7) The possession of a vessel that was purchased or acquired prior to coming into this State by a nonresident of this State and is not used principally on the waters of this State and if the issuance of a title is not sought; OR