

(2000 Replacement Volume and 2002 Supplement)

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

Article - Natural Resources

8-715.

(c) (1) [The] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE Department may not issue or renew a certificate of number to any vessel required to be registered and numbered in the State unless the Department has issued a certificate of title to the owner.

(2) THE DEPARTMENT MAY ISSUE A CERTIFICATE OF NUMBER TO A VESSEL PURCHASED BY A NONRESIDENT FROM A LICENSED DEALER WITHIN THIS STATE IF THE APPLICATION FOR A CERTIFICATE OF TITLE ACCOMPANIES THE APPLICATION FOR A CERTIFICATE OF NUMBER. THE DEPARTMENT MAY ISSUE THE CERTIFICATE OF TITLE ONLY AFTER ANY TAXES DUE UNDER THIS SUBTITLE ARE PAID IN FULL.

8-716.

(c) (1) 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 purchased outside the State 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.

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

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

(2) A transfer to a [licensed dealer] BUSINESS of a vessel for CHARTER, resale, RENTAL, OR LEASE purposes;