

HOUSE No. 6918

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, November 25, 1985.

The committee on Taxation, to whom was referred the petition (accompanied by bill, House, No. 6609) of Robert A. Cerasoli relative to the taxation of boats, reports recommending that the accompanying bill (House, No. 6918) ought to pass.

For the committee,

JOHN H. FLOOD.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty-Five.

AN ACT RELATIVE TO THE TAXATION OF BOATS.

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. Section 8 of Chapter 59 of the General Laws, as
2 appearing in the 1984 Official Edition, is hereby amended by
3 striking out the first paragraph and inserting in place thereof the
4 following paragraph: —

5 Individuals or partnerships owning an interest in any ship or
6 vessel which has during the period of its business in the year
7 preceding January first been engaged in interstate or foreign
8 carrying trade or used exclusively to harvest, take or catch fish
9 for the purpose of sale, or used exclusively to carry passengers
10 for hire to harvest, take or catch fish and are either documented
11 under the laws of the United States or registered under the laws
12 of the Commonwealth of Massachusetts shall annually, on or
13 before April first following, make a return on oath to the assessors
14 of the town where such individuals reside or where partnerships
15 are taxable under clause 7 of section 18, respectively, setting forth
16 the name of the ship or vessel, their interest therein, and the value
17 of such interest. If the assessors are satisfied of the truth of the
18 return they shall assess an excise tax on one third of one percent
19 upon such interest; and the person or partnership making such
20 return shall be exempt from any tax upon said interest other than
21 that assessed under this section.

1 SECTION 2. Section one of Chapter Sixty-B of the General
2 Laws as appearing in the 1984 Official Edition, is hereby amended
3 by adding at the end thereof, the following: — “Division”, the
4 Division of Law Enforcement within the Department of Fisheries,
5 Wildlife, and Environmental Law Enforcement.

1 SECTION 3. Said Chapter 60B is hereby further amended by
2 striking out section 2, as appearing in the 1984 Official Edition,

3 and inserting in place thereof the following —

4 Section 2. (a) Except as hereinafter provided there shall be
5 assessed and levied by each city and town in each fiscal year on
6 every vessel, and its equipment, for the privilege of using the
7 waterways of the commonwealth, an excise measured by the value
8 thereof, as hereinafter defined and determined, at the rate of ten
9 dollars per thousand of valuation.

10 (b) Except as hereinafter provided, there shall be assessed and
11 levied in each fiscal year on every vessel registered under chapter
12 ninety-B for the privilege of such registration, an excise measured
13 by the value thereof, as hereinafter defined and determined, per
14 thousand dollars of valuation. For the purpose of this excise the
15 value of each such vessel shall be deemed to be the value, as
16 determined by the director of the Division, of vessels of the same
17 make, type, model, and year of manufacture as designated by the
18 manufacturer.

19 (c) For the purpose of computing the excise under this chapter
20 the value of each such vessel, and its equipment, shall be deemed
21 to be the fair cash value as determined by the director of the
22 Division, but not in excess of the following values:

23 LENGTH OF VESSEL	24 VALUATIONS OF VESSELS		
25 (Overall center line bowsprits, boomkins and similar extensions)	26 (based on age of vessel) Length excluding		
	27 Under 4	28 4 thru 6	29 7 or More
	30 Years of	31 Years of	32 Years of
	33 age	34 age	35 age
36 Under 16'	\$ 1,000	\$ 700	\$ 800
37 16' but less than 17.5'	1,500	1,000	800
38 17.5' but less than 20'	3,000	2,000	1,500
39 20' but less than 22.5'	5,000	3,300	2,500
40 22.5' but less than 25'	7,500	5,000	3,800
41 25' but less than 27.5'	10,500	7,000	5,300
42 27.5' but less than 30'	14,000	9,300	7,000
43 30' but less than 35'	18,500	12,300	9,300
44 35' but less than 40'	24,000	16,000	12,000
45 40' but less than 50'	31,500	21,000	15,800
46 50' but less than 60'	41,000	27,300	20,500
47 60' or over	50,000	33,000	24,800

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

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

52 (f) Said excise shall be assessed in the city or town where the
53 vessel is habitually moored or docked, or in the case of a ship
54 or vessel which has no mooring or docking space, where the ship
55 or vessel is principally situated.

56 (g) The owner if aggrieved by the excise assessed may on or
57 before June thirtieth of the year next succeeding the year to which
58 the excise relates or, if the notice of assessment is first sent after
59 June first of such succeeding year, on or before the thirtieth day
60 apply for an abatement to the board assessors, and from a decision
61 of the board of assessors upon such application, an appeal may
62 be taken to the county commissioners or to the appellate tax
63 board, all in accordance with section sixty-four or section sixty-
64 five of the chapter fifty-nine. If an abatement of an excise assessed
65 by a board of assessors is ordered by a decision of the county
66 commissioners of the appellate tax board, any overpayment with
67 interest thereon at the rate of twelve per cent annum from the date
68 of payment shall be refunded by the city or town treasurer from
69 any available funds, upon certificate by the collector of taxes and
70 approval for payment as required by section fifty-two of chapter
71 forty-one, without any appropriations therefore by the municipi-
72 pality.

73 (h) Persons who neglect to pay the excise assessed under this
74 chapter shall pay an interest rate of twelve per cent per annum
75 from the time when such excise was payable until paid. The notice
76 issued pursuant to this section shall bear on its face a statement
77 of the time within which petitions for abatement of the excise may
78 be filed.

79 (i) If an excise assessed under this chapter remains unpaid for
80 fourteen days after a demand therefor made more than one day
81 after such excise becomes due and payable, the local tax collector
82 may at any time and from time to time, in the year in which the
83 excise is first committed and billed or in the succeeding year,
84 transmit to the Division, upon a form approved by the
85 commissioner of revenue, a notice of such nonpayment, specifying
86 the name and address of the person to whom the excise is assessed,
87 the amount of the excise due and such information as to the vessel
88 as was transmitted by the Division to the commissioner under
89 section two; provided, however, that no notice shall be transmitted
90 to the Division under this section at a time when there is pending
91 before the local board of assessors a duly filed application for the
92 abatement of such excise in whole or in part nor within thirty
93 days after action upon any such application by the local board of
94 assessors. If at the time any such notice is received it appears from
95 the records of the Division that one or more vessels are then
96 registered in the name of the person to whom the excise is assessed
97 the Division shall forthwith give him written notice by mail
98 directed to his last known address that the certificates of
99 registration of all such vessels will be suspended without further
100 notice at the expiration of thirty days from the date of mailing
101 such notice, which expiration date shall be specifically indicated
102 by the Division in said notice, unless within said thirty days there
103 is filed with the Division, together with a filing fee of one dollar,
104 evidence satisfactory to him that the excise, and all interest
105 thereon and costs relative thereto have been paid or legally abated.
106 Unless such evidence is so filed with the Division, he shall
107 forthwith suspend the certificates of registration of all such vessels,
108 and he shall not renew nor issue any certificate of registration for
109 the person to whom such excise is assessed until such evidence
110 has been filed with him and such filing fee paid. A deputy collector,
111 sheriff, deputy sheriff, constable, special constable, or all persons
112 empowered to enforce Chapter 90B, upon the request of the
113 Division shall demand forthwith the certificates of registration of
114 such vessels when said certificates have been suspended or revoked
115 and shall forward them to the Division. In performing these
116 duties, a deputy collector, sheriff, deputy sheriff, constable, special
117 constable, or all persons empowered to enforce Chapter 90B, shall

118 have authority to proceed anywhere within the commonwealth
119 notwithstanding any other provision of law.

120 (j) If during any fiscal year ownership of a vessel subject to an
121 excise under this chapter is transferred by sale or otherwise, or
122 if during any fiscal year the owner of a vessel subject to such an
123 excise removes to another state and registers a vessel in such other
124 state and surrenders or does not renew his registration in this state,
125 the excise under this chapter shall be reduced, upon application,
126 by an abatement equal to that proportion of an excise under this
127 chapter on such vessel for the full fiscal year which the number
128 of months in said year remaining after the month in which such
129 transfer by sale or otherwise or such surrender or expiration or
130 registration occurs bears to twelve.

131 (k) All sums received from the excise imposed under this
132 chapter shall be paid into the treasury of the city or town and
133 fifty per cent of said excise shall be credited to the municipal
134 waterways improvement and maintenance fund established under
135 the provisions of clause (72) of section five of chapter forty.

1 SECTION 4. Said chapter 60B is hereby further amended by
2 striking out section 3, as appearing in the 1984 Official Edition
3 and inserting in place thereof the following: —

4 Section 3. The excise imposed by this chapter shall not apply
5 to vessels described in section eight of chapter fifty-nine and in
6 section sixty-seven of chapter sixty-three; to vessels owned by the
7 Commonwealth or any political subdivision thereof; to law
8 enforcement vessels; to vessels under construction; to ferries; to
9 boats, fishing gear or nets used exclusively to harvest, take or catch
10 fish for the purpose of sale or used exclusively to carry passengers
11 for hire to harvest, take or catch fish and are either documented
12 under the laws of the United States or registered under the laws
13 of the Commonwealth of Massachusetts, with a value of ten
14 thousand dollars or less; nor to other vessels with a value of one
15 thousand dollars or less.

1 SECTION 5. Said chapter 60B is hereby further amended by
2 striking out section 6, as appearing in the 1984 Official Edition.

1 SECTION 6. Section 67 of chapter 63 is hereby amended by
2 striking out section 67, as appearing in the 1984 Official Edition,
3 and inserting in place thereof the following: —

4 Section 67. The commissioner shall annually assess as of the
5 last day of the taxable year, as defined in paragraph numbered
6 six of section thirty, an excise tax upon the interest of every
7 corporation organized under the laws of this Commonwealth and
8 having a place of business therein, in any ship or vessel which has,
9 during the period of its business in the year preceding such day,
10 been engaged in interstate or foreign carrying trade or used
11 exclusively to harvest, take or catch fish for the purpose of sale,
12 or used exclusively to carry passengers for hire to harvest, take
13 or catch fish and are either documented under the laws of the
14 United States or registered under the laws of the Commonwealth
15 of Massachusetts, which tax shall be one third of one percent upon
16 the value of such interest as determined by him. If the
17 commissioner is satisfied of the truth of the return filed pursuant
18 to section twelve of chapter sixty-two C he shall deduct said value
19 of its corporate franchise, if it is taxable under section fifty-eight.
20 If a corporation filing said return is subject to taxation under
21 section fifty-two it shall include in said return the amount of
22 income received on its interest in any such ship or vessel during
23 the taxable year and the commissioner in assessing the tax under
24 section fifty-two A shall first deduct such income from the net
25 income computed pursuant to said section.

1 SECTION 7. Section 2 of chapter 90B as appearing in the 1984
2 Official Edition is hereby amended by striking out
3 subparagraph 6.

1 SECTION 8. Section 3 of said chapter 90B is hereby amended
2 by inserting in line 2 after the word "commonwealth" the words
3 "including vessels documented with the United States Coast
4 Guard, notwithstanding any other provisions of this chapter", and
5 by adding after the words "chapter seven" in line 7 the words,
6 "except in the case of vessels documented with the United States
7 Coast Guard for which there shall be no fee", by striking in lines
8 80 and 81, the words, "two years", and inserting in place thereof
9 the following words, "one year".

1 SECTION 9. Section 11 of said chapter 90B is hereby amended
2 by striking out subparagraph (3) in the second paragraph, and
3 inserting in place thereof the following: —

4 (3) Compile on or before the fifteenth day of each month lists
5 of snow vehicles, recreational vehicles and vessels registered
6 during the next preceding month.

1 SECTION 10. Paragraph (a) of section 11 of said chapter 90B
2 is hereby amended by striking out in line one the words: “or six”,
3 by striking out in line two, the words “fifty dollars”, and inserting
4 in place thereof the following: — “two hundred and fifty dollars”.

1 SECTION 11. Paragraph (b) of section 14 of said chapter 90B
2 is hereby amended in line two by inserting after the word “five
3 A”, the following: — “six”, and, by inserting after paragraph (c)
4 the following: —

5 (d) All fines and penalties recovered in prosecutions under the
6 laws relative to the provisions of paragraph (a) hereof shall be
7 equally divided between the city or town which initiates said
8 prosecution and the commonwealth; provided, that if the
9 complaining officer is receiving compensation from the
10 commonwealth, such fines and penalties shall be credited entirely
11 to the commonwealth.

1 SECTION 12. When revenues actually collected by a city or
2 town from vessels during the taxable year actually decrease in a
3 subsequent year as a result of sections one, four and six of this
4 act, the commonwealth shall reimburse the city or town for such
5 lost revenue.

1 SECTION 13. Sections one, four, six and twelve shall take
2 effect upon passage. The remaining sections shall take effect July
3 first, nineteen hundred and eighty-seven.