

# **HOUSE . . . . . No. 3913**

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## The Commonwealth of Massachusetts

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HOUSE OF REPRESENTATIVES, September 21, 2017.

The committee on Revenue to whom were referred the petition (accompanied by bill, Senate, No. 1634) of Bruce E. Tarr, Steven S. Howitt and Paul R. Heroux for legislation relative to the fairness of marine vessel reporting and fishermen exemptions, and the petition (accompanied by bill, House, No. 2592) of Ann-Margaret Ferrante and others relative to marine vessel reporting and taxable exemptions, reports recommending that the accompanying bill (House, No. 3913) ought to pass.

For the committee,

JAY R. KAUFMAN.

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**The Commonwealth of Massachusetts**

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**In the One Hundred and Ninetieth General Court  
(2017-2018)**  
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An Act relative to the fairness of marine vessel reporting and fishermen exemptions.

*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 2016 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           “Director”, the director of law enforcement of the executive office of energy and  
7 environmental affairs.

8           “Habitually moored or docked”, the place where the owner has usual mooring or dockage  
9 for the summer season.

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

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

17 Section 2. (a) Except as hereinafter provided there shall be assessed and levied by each  
18 city and town in each fiscal year on every vessel, regardless of registration of origin, and its  
19 equipment, for the privilege of using the waterways of the commonwealth, an excise measured  
20 by the value thereof, as hereinafter defined and determined, at the rate of \$10 per \$1000 of  
21 valuation.

22 (b) Any person who owns such a vessel on July 1 shall annually, on or before September  
23 1, make a return on oath to the assessors of the city or town where such vessel is habitually  
24 moored or docked, or in the case of a vessel which has no mooring or docking space, where said  
25 vessel is principally situated, setting forth the vessel’s registration or documentation number, if  
26 any; an adequate description; and the place of habitual mooring or docking or other principal  
27 location of said vessel.

28 (c) For the purpose of computing the excise under this chapter, the value of each vessel,  
29 and its equipment, including any engine or motor used to propel said vessel, shall be deemed to  
30 be the fair cash value as determined by the assessors of each city and town, but not in excess of  
31 the following values:-

32 Valuation of vessels

33 Length of vessel	Under 4 years of age	4 thru 6 years of age	7 years or
34 more			

35	Under 16'	\$1,000	\$700	\$400
36	16 feet but not less than 17.5'	\$1,500	\$1,000	
37	\$800			
38	17.5' but not less than 20'	\$3,000	\$2,000	
39	\$1,500			
40	20' feet but less than 22.5'	\$5,000	\$3,300	
41	\$2,500			
42	22.5' but less than 25'	\$7,500	\$5,000	
43	\$3,800			
44	25' but less than 27.5'	\$10,500	\$7,000	
45	\$5,300			
46	27.5' but less than 30'	\$14,000	\$9,300	
47	\$7,000			
48	30' but less than 35'	\$18,500	\$12,300	\$9,300
49	35' but less than 40'	\$24,000	\$16,000	\$12,000
50	40' but less than 50'	\$31,500	\$21,000	\$15,800
51	50' but less than 60'	\$41,000	\$27,300	\$20,500
52	60' or over	\$50,000	\$33,000	\$24,800

53 Length of vessel shall mean overall center line length excluding bowsprits, boomkins  
54 and similar extensions.

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

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

63 (f) Said excise shall be assessed in the city or town where the vessel is habitually moored  
64 or docked, or in the case of a ship or vessel which has no mooring or docking space, where the  
65 ship or vessel is principally situated; provided, however, that if more than 1 municipality owns  
66 property in a harbor, the municipality which maintains such harbor in which the vessel is  
67 habitually moored, docked or situated shall assess and collect said excise; and provided, further,  
68 that where more than 1 municipality maintains portions of the harbor, the municipality which  
69 maintains that portion of the harbor in which the vessel is habitually moored, docked or situated  
70 shall assess and collect said excise.

71 (g) Nothing in this section shall be construed to prevent the board of assessors from  
72 granting an abatement in any case in which the excise aforesaid is, in the opinion of the board,  
73 excessive. No abatement under this section shall reduce any excise to less than \$5; no abatement  
74 shall be granted in an amount less than \$5 and no refund shall be paid in an amount less than \$5.

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

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

86 Section 3. The excise imposed by this chapter shall not apply to vessels described in  
87 section 8 of chapter 59 and in section 67 of chapter 63; to vessels owned by the commonwealth  
88 or any political subdivision thereof; to law enforcement vessels; to vessels under construction; to  
89 ferries; to boats, fishing gear and nets, to the extent of the first \$75,000 in value thereof, owned  
90 and actually used by the owner in the prosecution of his business if engaged in commercial  
91 fishing and if no less than 50 per cent of his income is from commercial fishing; nor to other  
92 vessels with a value of \$1,000 or less. Said exemptions shall not subject said vessels and their  
93 equipment to any other tax under chapter 59.

94 Section 4. The board of assessors, upon assessing the excise imposed by this chapter,  
95 shall commit the same to the collector of taxes with their warrant for the collection thereof. The  
96 collector of taxes shall seasonably notify the owner of the excise assessed and the due date, but

97 failure to receive notice shall not affect the validity of the excise. Said excise shall be due and  
98 payable at the expiration of 60 days from the date upon which the notice was issued by the  
99 collector pursuant to this chapter.

100 Failure to pay said excise by the due date shall result in a penalty being imposed which  
101 shall be equal to \$20 or 20 per cent of the amount of the excise due, whichever is greater. The  
102 penalty shall be in addition to the amount of excise due and any interest thereon imposed by law.  
103 If said excise remains unpaid after the due date, the harbormaster of a city or town shall refuse to  
104 allow the vessel to moor, dock, or otherwise be situated within the waterways of said city or  
105 town. All sums received from said penalty shall be credited to the municipal waterways  
106 improvement and maintenance fund established under section 5G of chapter 40.

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

110 Section 5A. No owner of a vessel shall be issued a registration decal or certificate of  
111 number, or renewal of such decal or certificate, under sections 2A and 3 of chapter 90B unless  
112 the owner has included with the application for such decal or certificate proof of payment of the  
113 full amount of the excise assessed for the prior fiscal year for any vessel for which the owner has  
114 a decal or certificate on July 1 of such year. Upon failure of the applicant to provide such proof  
115 of payment, or receipt of such other notice of non-payment made by the local tax collector that  
116 the director may determine, the director shall place the matter on record and not issue or renew a  
117 registration decal or certificate of number for any vessel owned by the person to whom the  
118 unpaid excise tax was assessed until after notice from the local tax collector that the matter has

119 been disposed of in accordance with law. The provisions of section 2A of chapter 60A shall  
120 apply to any notifications of non-payment made by the local tax collector.

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

131           SECTION 2. Chapter 90B of the General Laws, as so appearing, is hereby amended by  
132 inserting after section 2 the following section:-

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



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

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

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

146           SECTION 3. Section 3 of said chapter 90B, as so appearing, is hereby amended by  
147 adding the following subsection:-

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

151           SECTION 4. This act shall apply to excises assessed for any fiscal year beginning on or  
152 after July 1, 2018.