

A vessel duly registered in another jurisdiction may enjoy Maryland waters for a cumulative total of 90 days in a calendar year without being required to pay vessel excise tax. A vessel may remain longer than 90 days so long as a majority of the year is spent in another jurisdiction (i.e. Florida for 7 months and Maryland for 5 months).

TITLING

No vessel can be registered unless it has been issued a valid Maryland Certificate of Title showing the names of all owners and all security interests. All applications to title previously documented vessels require an Abstract of Title issued by the U.S. Coast Guard.

Maryland registered vessels are transferred by assignment of title only. Assignment must be completed in full by seller and signed by all owners. Date of sale and sales price (vessel, motor, accessories) must be entered by the seller. Trailer is registered separately with the MD Motor Vehicle Administration.

APPLYING FOR A TITLE – REQUIRED DOCUMENTATION

New vessel

- Completed Application for Maryland Certificate (DNR B-240)
- Original Manufacturer's Certificate of Origin (CO) assigned by the dealer or manufacturer to the purchaser(s)

Used vessel titled in Maryland

- Original MD Certificate of Title assigned to the purchaser(s) and signed by all owners shown on the front of the title
- Original certified Bill of Sale if total purchase price is not stated in the assignment
- Original Notice of Security Interest with a properly executed release if a lien or security interest is recorded on the seller's title

TAXES, TITLING AND REGISTRATION FEES

1. 5% vessel excise tax on the total purchase price (vessel, motor and accessories, but not the trailer). If more than 3 years have elapsed since purchase, fair market value will be determined from a national publication of used vessel values adopted by the Department.
2. \$2 title fee
3. Biennial registration
 - a. \$24 -- Vessel >16' in length, or propulsion > 7.5 hp
 - b. No charge -- Vessel ≤ 16' in length with propulsion ≤ 7.5 hp
4. \$15 security interest filing fee

VESSEL EXCISE TAX

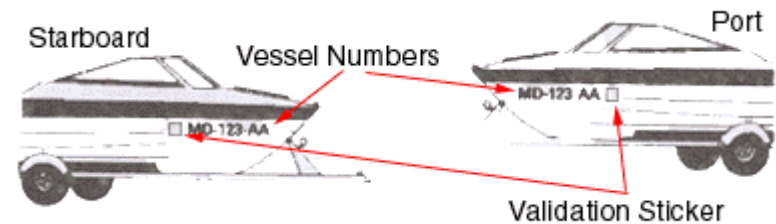
All vessel excise tax is deposited in the Waterway Improvement Fund. These special funds are earmarked for the engineering, construction and maintenance of boating related projects on public lands, including dredging, channel marking, clearing debris, constructing and maintaining marine facilities, and other projects that benefit the boating public.

DISPLAY OF NUMBERS AND VALIDATION DECALS

The vessel number issued to a MD titled vessel must be painted on or otherwise permanently attached to each side of the forward half of the vessel (the bow). No other number can be displayed near the vessel number.

Vessel numbers must be displayed as follows:

- Reading from left to right
- Plain vertical block characters 3" high or larger
- Contrasting color to the boat hull or background
- Placed as high above the waterline as practical
- Letters separated from numbers by hyphens or spaces.



The registration decal set (two 3" x 3" decals) and the 3" round dealer-issued temporary decals must be displayed within 3" of the vessel number. Vessels must display boat number and current decals, and have the registration card on board and available for inspection whenever the boat is in use.

DOCUMENTED VESSELS

A federally documented vessel in principal use in Maryland, though exempt from the vessel numbering provisions of the State Boat Act, must display documented use decals. The vessel is subject to vessel excise tax and to inspection by the Maryland Natural Resources Police. The documented use decals must be displayed on each side of the forward half of the vessel in a conspicuous manner so as to be easily seen from a passing vessel.

A vessel is not federally documented until it has a valid document from the U.S. Coast Guard and has had its official number carved into a main beam or a main structural member. Application for documentation is not sufficient to exempt a vessel from State numbering and titling requirements. Until officially documented, a vessel must have a valid Certificate of Vessel number and display a boat number and registration decals to operate on Maryland waters.

A 5% excise tax on the vessel's fair market value is due to the Department of Natural Resources within 30 days of the transfer, trade or sale of a documented vessel used principally in Maryland. See "Vessels Required to be Registered in Maryland" for a detailed discussion of "principal use". For vessels purchased outside of Maryland, tax is due within 30 days of the date upon which the possession within the State became subject to the tax. Generally, tax is due when a vessel is principally used in Maryland.

Upon initial application for documented use decals, a vessel owner must provide evidence that Maryland excise tax (or comparable tax in another state) was paid at the time of purchase or pay the appropriate tax (plus penalty and interest, if applicable). In addition, a copy of the official documentation papers issued in the owner's name is required as part of the first time application for documented use decals.

REPORT OF SALE OF VESSELS

Registered and Documented Vessels

The Department of Natural Resources must be notified within 15 days when a vessel is sold, traded or transferred. The report of sale should include the name and address of the new owner(s) and the date and amount of the sale.

RENEWALS – REGISTERED AND DOCUMENTED VESSELS

Renewal applications are mailed to the address on record approximately 30 days before expiration of the registration or documented use decal. Failure to receive a renewal application by mail is not a valid reason for failing to renew the registration. Renew early by mail to avoid the last-minute rush!

**For circumstances not addressed in this publication,
contact any Licensing & Registration Service Center
<http://www.dnr.state.md.us/service/center.asp>
or call (410) 260-3220.**



Registration and Number Requirements

www.dnr.maryland.gov/boating/registration/

VESSELS REQUIRED TO BE REGISTERED IN MARYLAND

Any vessel purchased in Maryland that is equipped with primary or secondary propulsion must register with the Department of Natural Resources and pay vessel excise tax within 30 days of purchase.

- Federally documented vessels purchased in Maryland do not need to obtain a Maryland title but are required to purchase a use sticker and pay Maryland vessel excise tax.
- An exception exists for a vessel certifying principal use elsewhere. DNR Form B110 must be filed with the Department within 30 days of purchase.

Vessels purchased out of state must register (or apply for a documented vessel sticker) and pay vessel excise tax if the boat is principally used in Maryland.

DETERMINING PRINCIPAL USE

"Use" means to operate, navigate or employ a vessel. A vessel is in use whenever it is upon the water, whether it is moving, anchored or tied up to any manner of dock or buoy. A vessel is also in use if it is kept in any structure in readiness for use.

Unless an exception applies, every vessel in principal use in Maryland must register (or apply for a documented vessel sticker) and pay vessel excise tax. A vessel is in principal use if it is used in Maryland more than in any other single jurisdiction.

There are some exceptions to use in Maryland. For example, a vessel is not in use when held for maintenance, repair or commissioning for 30 consecutive days or more, but must meet all provisions of §8-716(k) of the State Boat Act:

- Work is provided in exchange for compensation,
- Work is performed pursuant to a schedule pre-established with one or more marine contractors, and
- The total cost is at least two times the reasonable current market cost of docking or storing the vessel.