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An Act To Provide Funding to Postsecondary Marine Training Programs

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 12 MRSA §13002, as enacted by PL 2003, c. 414, Pt. A, §2 and as affected by c. 614, §9, is amended to read:

§ 13002. Collection by commissioner

The commissioner or agents of the commissioner shall act on behalf of the State Tax Assessor to collect the use tax due under Title 36, chapters 211 to 225 in respect to any watercraft, snowmobile or ATV for which an original registration is required under this Title at the time and place of registration of that watercraft, snowmobile or ATV.

All taxes collected pursuant to this section must be transmitted forthwith to the Treasurer of State and credited to the General Fund as undedicated revenue, except that 30% of the use tax collected on watercraft must be deposited in the Marine Training and Education Program Fund established in Title 20-A, section 12892. The Legislature shall appropriate to the department in each fiscal year an amount equal to the administrative costs incurred by the department in collecting revenue under this section. Those administrative costs must be verified by the Department of Administrative and Financial Services.

For purposes of this section, "original registration" means any registration other than a renewal of registration by the same owner.

Sec. 2. 20-A MRSA c. 437 is enacted to read:

CHAPTER 437

Marine Training and Education Programs

§ 12891. Marine training and education programs

The department, in consultation with the Chancellor of the University of Maine System and the President of the Maine Community College System, shall develop marine training and education programs for the University of Maine System and the Maine Community College System.

§ 12892. Marine Training and Education Program Fund

There is established within the department the Marine Training and Education Program Fund, referred to in this chapter as "the fund." The fund receives revenue from the sales tax imposed on the sale of watercraft pursuant to Title 36, section 1811. The fund must be used for the development and implementation of marine training and education programs within the University of Maine System and the Maine Community College System pursuant to section 12891. Funds in the fund do not lapse but must be carried forward.

§ 12893. Report

Beginning December 15, 2008 and every 2 years thereafter, the department shall report to the joint standing committee of the Legislature having jurisdiction over education matters regarding the development, implementation and achievement of marine training and education programs established under section 12891 and the use of the fund established under section 12892.

Sec. 3. 36 MRSA §1952-A, as amended by PL 2005, c. 218, §26, is further amended to read:

§ 1952-A. Payment of tax on vehicles and recreational vehicles

The tax imposed by this Part on the sale or use of any vehicle, snowmobile, all-terrain vehicle or watercraft must, except where the dealer has collected the tax in full, be paid by the purchaser or other person seeking registration of the vehicle, snowmobile, all-terrain vehicle or watercraft at the time and place of registration. In the case of vehicles, the tax must be collected by the Secretary of State and transmitted to the Treasurer of State as provided by Title 29-A, section 409. In the case of watercraft, snowmobiles and all-terrain vehicles, the tax must be collected by the Commissioner of Inland Fisheries and Wildlife and transmitted to the Treasurer of State as provided by Title 12, sections 13002 to 13005. If the dealer collects the tax due under this Part on the sale of watercraft, 30% of that tax collected must be deposited in the Marine Training and Education Program Fund established in Title 20-A, section 12892.

SUMMARY

This bill requires the Department of Education, working with the Chancellor of the University of Maine System and the President of the Maine Community College System, to develop marine training and education programs, to be available within the University of Maine System and the Maine Community College System. The programs are funded by a diversion of revenue from the sales and use tax imposed on watercraft. The current sales and use tax on watercraft is 5%. This bill maintains that rate but allocates 30% of the revenue from the sales and use tax imposed on watercraft, which is equivalent to 1.5% of the taxable sales that are subject to the 5% tax.