

MA COLAP 2018 Workshop

Massachusetts Boat Excise Tax



Massachusetts General Laws

- Part I Title IX Chapter 60B Section 2
- Part I Title VII Chapter 40 Section 5G



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



MA COLAP
Massachusetts Congress of
Lake and Pond Associations

Section 2.(i) All sums received from the excise imposed under this chapter shall be paid into the treasury of the city or town and **fifty per cent of said excise shall be credited to the municipal waterways improvement and maintenance fund** established under the provisions of section five G of chapter forty.



Section 5G. A city or town **may establish** a municipal waterways improvement and maintenance fund to receive revenue under subsection (i) of section 2 of chapter 60B and under section 10A of chapter 91 and sums received from the commonwealth or the federal government, and may appropriate monies in said fund for

(1) **maintenance**, dredging, cleaning and **improvement** of harbors, **inland waters and great ponds** of the commonwealth,

(2) the public access thereto,

(3) the breakwaters, retaining walls, piers, wharves and moorings thereof, and

(4) law enforcement and fire prevention.



Here are the MGL definitions of inland waters and great ponds.

Inland waters – All waters within the jurisdiction of the commonwealth other than coastal waters.

Great pond – A natural pond the area of which is twenty acres or more.



Town of Charlton established the Municipal
Waterways Improvement and Maintenance
Fund in 2004



The following boat excise tax has been collected since 2004:

- 17 \$9,883.99 10 \$3,511.00 **\$69,154.28**
- 16 \$9,818.00 09 \$3,790.00
- 15 \$7,140.33 08 \$3,978.00
- 14 \$6,639.94 07 \$4,551.00
- 13 \$6,436.83 06 \$3,948.69
- 12 \$2,825.00 05 \$3,840.50
- 11 \$2,791.00



Charlton lakes and ponds acreage:

- South Charlton Reservoir – 207
- Glen Echo – 115
- Prindle – 76
- Baker* – 74
- Pikes – 28
- Cranberry Meadow* – 23
- Little Nugget – 13
- Pierpont* - 9

* Acreage in Charlton



Potential issues concerning use of fund:

- Many boats in Charlton do not use lakes and ponds in Charlton but still pay boat excise tax in Charlton
- Charlton lake acreage is not an equitable means of dividing fund
- How much should remain in the fund for emergencies?
- Should the fund be used to subsidize herbicide treatment for invasive weeds?

General Policy

- Fund will maintain a \$10,000 reserve to be used in case of emergency
- Funds to be disbursed for Charlton waterways only
- Any individual, group, or association may request monies for a Charlton waterway from this Fund for any of the 4 categories listed under MGL Ch. 40 §5G
- Limit one application per year per applicant
- Application and funding approval is at the discretion of the Town of Charlton Conservation Commission





MA COLAP

Massachusetts Congress of
Lake and Pond Associations