

2001 SESSION

INTRODUCED

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HOUSE BILL NO. 1675

Offered January 10, 2001

Prefiled December 13, 2000

A BILL to amend and reenact § 58.1-1404 of the Code of Virginia, relating to watercraft sales and use tax exemption for watercraft purchased by commercial watermen.

Patron—Pollard

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That § 58.1-1404 of the Code of Virginia is amended and reenacted as follows:

§ 58.1-1404. Exemptions.

A. Any watercraft sold to or used by the United States or any of the governmental agencies thereof, the Commonwealth of Virginia or any political subdivision thereof or sold to an insurance company for the sole purpose of disposition when such insurance company has paid the registered owner of such watercraft on a total loss claim, shall be exempt from the tax imposed by this chapter.

B. Any person who was the owner of a watercraft which was not required to be titled prior to January 1, 1998, shall apply for a title for such watercraft without incurring liability for the tax imposed under this chapter.

C. Any watercraft constructed *or purchased* by a commercial waterman for his own use shall be exempt from the tax imposed under this chapter.

D. Any registered dealer in watercraft shall be exempt from the tax imposed by subdivisions 1 and 2 of § 58.1-1402. Such dealer shall also be exempt from the titling requirement in § 29.1-713.

E. Any watercraft purchased by and for the use of a volunteer sea rescue squad, volunteer fire department or a volunteer rescue squad, not conducted for profit shall be exempt from the tax imposed under this chapter.

F. Any watercraft transferred to trustees of a revocable inter vivos trust, when the owners of the watercraft and the beneficiaries of the trust are the same persons, regardless of whether other beneficiaries may also be named in the trust instrument, or transferred by trustees of such a trust to beneficiaries of the trust following the death of the grantor, when no consideration has passed between the grantor and the beneficiaries in either case, shall be exempt from the tax imposed under this chapter.

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