

HOUSE BILL 1217

M2

2lr0696

By: **Delegates Mautz and Adams**

Introduced and read first time: February 11, 2022

Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Natural Resources – Oyster Inspection and Severance Taxes – Increase**

3 FOR the purpose of increasing the amount of the inspection tax levied on marketable
4 oysters shipped in the shell to any place outside the State; increasing the amount of
5 the severance tax levied on oysters caught within certain natural oyster bars;
6 requiring that a certain amount of the severance tax levied be distributed to certain
7 county oyster committees; and generally relating to oyster inspection and severance
8 taxes.

9 BY repealing and reenacting, with amendments,
10 Article – Natural Resources
11 Section 4–1020(a) through (c)
12 Annotated Code of Maryland
13 (2018 Replacement Volume and 2021 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
15 That the Laws of Maryland read as follows:

16 **Article – Natural Resources**

17 4–1020.

18 (a) **(1)** A separate permit shall be obtained for shipping each cargo, truckload,
19 or other consignment of oysters in the shell out of the State.

20 **(2)** An inspection tax of [30 cents] **\$1** per bushel shall be levied [upon] **ON**
21 marketable oysters shipped in the shell to any place outside the State and shall be paid by
22 the shipper.

23 **(3)** The tax imposed by this subsection shall be levied in addition to every

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 other tax imposed on oysters.

2 (b) (1) (I) A severance tax of [~~\$1~~] **\$2** per bushel shall be levied [upon] **ON**
3 every bushel of oysters caught within the limits of the natural oyster bars of the State
4 exclusive of the Potomac River.

5 (II) The oyster buyer or receiver shall pay the tax to the Department
6 for deposit to the credit of the Fisheries Research and Development Fund.

7 (2) (I) This section does not prevent any person licensed to catch oysters
8 in the State from selling [his] **THE PERSON'S** oysters in the shell directly to a consumer in
9 the State.

10 (II) 1. If the consumer is a licensed buyer of oysters, [he] **THE**
11 **CONSUMER** shall assume the obligations placed by this subsection on the first buyer of the
12 oysters to remit the tax to the Department. [However, if]

13 2. **IF** the consumer is not a licensed buyer of oysters, the
14 seller of oysters shall assume this obligation.

15 (c) (1) All taxes collected under this section shall be credited to the Fisheries
16 Research and Development Fund and used only for the repletion of the natural oyster bars
17 of the State.

18 (2) The **10-CENT** tax increase effective July 1, 1982, shall be used solely
19 for the oyster seed program, with a minimum of [~~5 percent~~] **5%** of the increase being used
20 in each of the following counties:

21 (I) Anne Arundel;

22 (II) Calvert;

23 (III) Charles;

24 (IV) Dorchester;

25 (V) Kent;

26 (VI) Queen Anne's;

27 (VII) Somerset;

28 (VIII) St. Mary's;

29 (IX) Talbot; and

1 **(X) Wicomico.**

2 **(3) OF THE SEVERANCE TAX COLLECTED UNDER SUBSECTION (B) OF**
3 **THIS SECTION, \$1 OF EACH \$2 COLLECTED SHALL BE DISTRIBUTED TO THE COUNTY**
4 **OYSTER COMMITTEES IN THE FOLLOWING COUNTIES FOR THE REPLETION OF**
5 **NATURAL OYSTER BARS LOCATED IN THE WATERS OF THE COUNTY:**

6 **(I) ANNE ARUNDEL;**

7 **(II) CALVERT;**

8 **(III) CHARLES;**

9 **(IV) DORCHESTER;**

10 **(V) KENT;**

11 **(VI) QUEEN ANNE’S;**

12 **(VII) SOMERSET;**

13 **(VIII) ST. MARY’S;**

14 **(IX) TALBOT; AND**

15 **(X) WICOMICO.**

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
17 1, 2022.