

DNR RESOURCES FOR MARINAS

Claim for Abandoned Vessels and Mechanics Liens



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Claim for Abandoned Vessel

An abandoned vessel as defined at Natural Resources Article, §8-721(a), Annotated Code of Maryland has remained at a location without the consent of the owner or person in control of the property:

- More than 30 days: Private dock. At or near water's edge on private property
- More than 60 days (effective July 1, 2020) Private marina or property operated by a private marina. Private boatyard or property operated by a private boatyard
- More than 180 days: Private property other than those properties described above.

Claim for Abandoned Vessel continued

A vessel that is currently United States Coast Guard (USCG) documented with an unsatisfied lien, must follow USCG process to claim ownership. Ownership transfer and release of a mortgage must be authorized by USCG before Maryland title can be issued.

Claim For Abandoned Vessel Process

1. Complete and submit DNR B-150 form (Request for Copy of Record) to obtain official ownership record (for vessels registered in MD - out of state registered vessels would require contact being made with that state's boat licensing agency)

- Send a registered letter, return receipt requested, to the last known address of both the owner and the lien holder, if applicable (USPS Form 3811).
- A copy of this letter will be needed for Step 3. (Sample template is provided)

****More in depth information and sample templates can be found in the Claim for Abandoned Vessels Instructions****

Claim For Abandoned Vessel Process (continued)

2. Place a notice in a newspaper of general circulation published in the county where the vessel is located.

(Sample template is provided)

- Notice must include: Vessel description and location, any identifying numbers
- Statement -- if vessel is not claimed within 30 days of publication date, applicant will seek title

Claim For Abandoned Vessel Process (continued)

3. 30 days after publication, application for title can be processed through the Department upon submission of the following items:

- Completed DNR Form B-240 and DNR Form B-117
- Proof of owner notification Owner has been identified
Original signed registered letter receipt, or **Returned envelope marked “Undeliverable”** by the Post Office and a copy of the letter. (If you were unable to identify the owner, a written explanation of your attempts to locate the boat owner and lien holder.)

Claim For Abandoned Vessel Process (continued)

- If you are not the owner of the land, owner's written authorization for you to claim the vessel as abandoned and to receive title in your name.
- Original Certificate of Publication for legal notice issued by the newspaper
- Clear photographs of the vessel (showing existing boat #, if applicable).
- Tracing of the vessel's hull identification number or serial number

Claim For Abandoned Vessel Process (continued)

Pursuant to §8-716(c)(1) of Maryland's State Boat Act, 5% VESSEL EXCISE TAX will be assessed on the fair market value as shown in a national publication of used vessel values adopted by the Department – the BUC Book.

The Department may adjust the fair market value based on the condition of the vessel (proof required) or upon presentation of a marine survey.

If a vessel is in disrepair, please provide as many pictures and proof to support this claim when submitting your paperwork for review.

Mechanic's Lien

- Under Maryland Code Annotated, Commercial Law Article (“CL”), Section §16-201 et seq.), a vessel lien is created when (a) the lienor (with the consent of the owner) has provided services or materials for that vessel, (b) the charges are due and unpaid for 30 days, and (c) lienor has possession of the vessel. Services and materials are defined as wet or dry wharfage, repair, rebuilding, maintenance, storage, parts or accessories.
- **Please Note:** United States Coast Guard (USCG) Documented vessel with an unsatisfied lien, must follow USCG process to claim ownership. Ownership transfer and release of a mortgage must be authorized by USCG before Maryland title can be issued.

Mechanic's Lien (continued)

REQUIRED DOCUMENTATION:

- Unregistered – include detailed explanation of research efforts
- Registered -- vessel ownership record from state of current registration
- Documented – abstract of title
- Photograph or pencil rubbing of hull identification number and photograph of vessel, showing current vessel registration # and any other identifying markings
- Certificate of Publication - Attach copy of ad with vessel circled or underlined.

****More in-depth information and sample templates can be found in the Mechanics Lien Instructions****

Mechanic's Lien (continued)

- Notifications:

- Notice should restate information in the published ad (date, place, time, terms)
- Notice must be mailed to all owners – separate mailing to each owner.
- Auction date must be consistent in all notices and the published ad
- At least 10 days before sale, mail notice (registered or certified, return receipt requested and by regular mail) to:
Owner at address of record and any other address in your files

Mechanic's Lien (continued)

- If the address of both the owner and the person who incurred the charges is unknown and cannot be reasonably ascertained, the notice is to be sent to “General Delivery” at the post office of the city where the business of the lienor is located.
- Successful delivery -- submit the signed USPS Form 3811 (green card) or mailing receipt. Confirmation of delivery from the USPS website tracking system is acceptable. If returned undelivered -- submit the unopened returned envelope.

Mechanic's Lien (continued)

- Proof of indebtedness Invoice Affidavit must be completed in full and signed by Lienor.
 - Charges must be due and unpaid for at least 30 days
 - Charges cannot include services provided after date of notice
 - Must reflect charges shown in Notice of Sale
 - Finance charges and/or interest can be included in total amount, but must be listed separately.
- Evidence of Sale Certified Bill of Sale must include amount, date, seller and purchaser.

More in depth information and sample templates can be found in the Mechanics Lien Instructions

Mechanic's Lien (continued)

- DNR Form B-240 Date of sale = “Date of Purchase”
Purchaser must sign and date (include Power of Attorney when signing on their behalf).
- Payment -- payable to “MD DNR” 5% vessel excise tax on sale amount (or total charges when no bidders)
- Mechanic's Lien Checklist — top portion completed by lienor
- Power of Attorney (when applicable)

Claim for Abandoned Vessel vs. Mechanic's Lien?

- Money is owed = Mechanic's Lien
- Boat left on property without landowner's permission = Abandoned Vessel
- Purchased boat without a title, lost original title documents = Neither
- Boat tied up at marina for months, no formal agreement made = Abandoned Vessel

FAQ's

Q: I just bought or acquired this marina and there are boats left here. I have no paperwork from the previous marina owner regarding them. Can I claim them as abandoned?

A: No, as these vessels were on the property prior to purchase - a Mechanics Lien should be completed. Situations vary - please contact your local Service Center for additional information.

Q: While completing the process, do I have to send a separate certified letter to both owners you have on record or can I send one letter and address it to both owners?

A: Both owners should receive their own letters, addressed to them individually.

FAQs (continued)

Q: What if the address you all provide on the ownership record is not what we have in our records?

A: All attempts to contact the owners is strongly encouraged. However, you are only required by law to use the address we provide on official documents AND an address provided by the Postal Service. It is only required to send a letter to a different address when completing a Mechanics Lien and the customer has provided an address that differs from the address indicated on the ownership record. Situations vary - please contact your local Service Center for additional information.

FAQs (continued)

Q: What if the letter gets lost by the USPS or the letter is returned with a forwarding address?

A: If the letter gets lost by the USPS - a new letter would need to be mailed out. If the letter is returned and the USPS has provided a forwarding address, please resend a new letter to the address they provided.

FAQs (continued)

Q: What if the boat has no registration numbers and/or hull identification number?

A: As situations vary - please contact your local Service Center for additional information

Q: I am a licensed boat dealer - am I required to pay tax?

A: No - boat dealers are not required to pay tax on vessels they will be reselling.

FAQs (continued)

****For circumstances not listed above, please contact your local Service Center for additional guidance as situations vary.*****

Contact Information



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