



Government Affairs

880 South Pickett Street, Alexandria, VA 22304

147 Old Solomons Island Road, Suite 508
Annapolis, MD 21401

Phone: (703) 461-2878 x8363 Fax: (410) 224-3807

Website: www.BoatUS.com/gov

Email: govtaffairs@BoatUS.com

July 8, 2011

The Honorable John Boehner
U.S. House of Representatives
Washington, DC 20515

Dear Speaker Boehner:

BoatU.S. is the nation's largest organization of recreational boaters, with over 500,000 members nationwide. Our members, who are part of an estimated 82 million Americans who boat (as of 2009), enjoy this healthy, outdoor, family-oriented activity.

We must share our concern about the potential of removing the interest deduction on boats that qualify as second homes that is part of the current budget debate. We absolutely recognize the serious fiscal issues our nation faces and we fully understand the need to consider all of the revenue options available, including this tax deduction. However, it is not appropriate to single out recreational boats while keeping RVs, lake cabins, and ski condos eligible for the tax deduction. **If Congress wishes to raise money through a change in the second home mortgage interest deduction, it should apply universally and not unfairly penalize Americans who choose boating as their family recreation.**

While the perception is that all boat owners are wealthy individuals, the reality is far different. In fact, 75% of all boat owners in the U.S. have a household income under \$100,000 per year, and could hardly be characterized as "wealthy." In essence, the majority of boaters in the United States are middle class; they enjoy boating along our nation's coasts, Great Lakes, rivers, and inland lakes. Based on registration data, we estimate that there are less than 700,000 boats that would even qualify for this deduction, and far fewer who would use it. In contrast, 2010 census data shows there are 3,400,000 traditional second homes (e.g. lake cabins, ski condos).

Consideration should also be given to the impact this would have on jobs in the marine industry. The luxury tax on boats in the early 1990s was devastating to U.S. boat manufacturers and other marine businesses. To single out boats again will likely lead to similar declines in boat sales, and a subsequent loss of jobs - hardly a palatable outcome in the current economy.

Thank you for your consideration of our views. We stand ready to help provide a more complete picture of recreational boating and its place in the fabric of life in America today.

Sincerely,

Margaret B. Podlich
Vice President of Government Affairs
703-461-2878 x8363
mpodlich@boat.us