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Berkeley County Auditor Janet Brown Jurosko Issues Public Service Announcement About New Taxation Law on Watercrafts in South Carolina

MONCKS CORNER, S.C.- (Wednesday, October 2)- The South Carolina Legislature passed a new watercraft law in May 2018, with an effective date of January 1, 2020. Act 223 changed the taxation of property taxes on boats, boat motors, and watercrafts from a taxing system where taxes are paid in arrears to a system where the taxes are paid 12 months in advance. This change will make the taxation of boats, boat motors, and watercrafts similar to the taxing method currently used for motor vehicles. Starting in 2020, the property tax will be due in the month the registration was issued with SC Department of Natural Resources.

Effective January 1, 2020, property taxes are due on marine equipment at the time of purchase unless purchased at a dealership, in which case you will have 120 days to pay the property tax. For any registration that expires on or after January 1, 2020, taxes will be paid based on the month the decal expires. You will be required to pay an annual renewal fee for the DNR sticker which will be included on your annual Berkeley County property tax notice. The annual registration with SCDNR will be phased in over three years. Some registration stickers will expire in 2020, but others may not expire until 2021 or 2022, depending on your DNR renewal.

Listed below is some information regarding watercraft titling/registration and operations in the state of South Carolina. South Carolina law prohibits the sale or purchase of watercraft without a valid title issued in the seller's name to assign to the purchaser at the time of sale.

All watercrafts are required to be registered and titled except documented vessels, windsurfers, or watercraft moved by human power with oars, paddles or similar devices. Non-powered sailboats are required to be titled only. All outboard motors of five (5) horsepower or more are required to be registered and titled. A purchaser may operate a watercraft and an outboard motor up to 30 days from the date of purchase if the purchaser has a temporary watercraft certificate and notarized bill of sale on board. The temporary watercraft certificate is located on the Department of Natural Resources (SCDNR) application for new registration. The application is on the SCDNR website at http://www.dnr.sc.gov/boating/Titling_and_Registration/docs/WatercraftOutboardMotorApplication.pdf

When marine equipment is purchased, it must be registered with the SCDNR by the end of the 30-day period. SC sales tax is paid to the SCDNR at the time of application. The property tax information is provided to the county by the SCDNR. By law, the auditor's office is required to send tax bills based on this information. If taxes are not paid, the SCDNR file will be flagged as "failed to pay taxes" and the property cannot be transferred until the delinquent taxes have been cleared. If you are thinking of purchasing a boat or motor, you may contact the county in which the seller resides to make certain there are no delinquent taxes due. Check the status of watercraft and outboard motor titles at www.dnr.sc.gov/boating and select "SC Boat Facts" before you buy. From there, you can search for any delinquent property taxes that have been reported to SCDNR. These taxes must be satisfied before any duplicate title can be issued, registration renewed, or transfer of ownership completed. For both parties, it may be a good idea to copy the front and the completed back of the title.

Boat trailers are no longer taxed; however, the taxpayer may obtain a license tag from the Department of Motor Vehicles in order to allow the trailer to be pulled across S.C. state lines. An exempt tax receipt may be obtained from the Auditor's Office.

Marine equipment valued at \$500.00 or less is exempt from property taxes. If you are active duty military, stationed in S.C. and you claim another state as your home of record, marine equipment in your name may be exempted from property taxes. A current leave and earning statement (LONG FORM) must be filed with the Auditor's Office. If you change your legal residence or mailing address, either within the county or elsewhere, you are required to notify SCDNR within 30 days by completing and mailing a SCDNR address change form, which can be found on their website at http://www.dnr.sc.gov/boating/Titling_and_Registration/docs/addresschange.pdf

You must also notify the Auditor's Office, by sending in the address change form located on the bottom of your tax bill, or by submitting the Berkeley County address change form located on our website at https://www.berkeleycountysc.gov/drupal/dept/auditor/address_change.

Please contact the Berkeley County Auditor's office for more information at (843) 719-4727, (843) 719-4735 or (843) 719-4736. Get more information online at <https://www.berkeleycountysc.gov/drupal/dept/auditor> or the Department of Natural Resources at <http://www.dnr.sc.gov/boating.html>.

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