

Purchase and use of vessels by nonresidents

The state of Washington encourages nonresidents to visit Washington aboard their vessels in order to explore our unique waterways, scenic vistas and wonderful hospitality.

This publication contains useful information outlining registration and tax requirements for non-business use of vessels in this state by nonresidents so that they can plan their visits accordingly.

Generally, vessels purchased or used in Washington are subject to sales tax or use tax and must be registered. However, there are some exemptions available to nonresidents of Washington that are discussed in detail below.

Topics covered include:

- Vessel registration
- Purchases of vessels in Washington by nonresidents
- Use of vessels in Washington by nonresidents
- Vessels in Washington for repairs

The Watercraft Excise Tax (WET) is not specifically covered in this document. Vessels exempt from the registration requirements of Chapter 88.02 RCW are also exempt from the WET.

Vessel registration – Chapter 88.02 RCW

Domestic nonresidents

Domestic nonresidents are exempt from vessel registration requirements for the first 60 days of use within 12 continuous months. RCW 88.02.570(5).

Domestic nonresident *individuals* can extend their registration exempt stay if, before the 61st day of use here, they purchase a nonresident vessel (cruise) permit from the Department of Licensing (DOL).

To further extend the registration exempt period, a domestic nonresident *individual* must purchase a nonresident vessel permit from DOL before the first nonresident vessel permit expires. Exempt stays may not exceed 6 months during any continuous 12-month period.

Nonresident individuals are also exempt from registering their vessels (if 30 feet or longer) for a one-year period if they purchase a vessel use permit. The use permit must be purchased at the time of purchase of the vessel or within 14 days of first entering the state with the vessel. RCW 88.02.570(13) and RCW 88.02.620.

Foreign nonresidents

Foreign nonresidents are exempt from registration requirements for the first 60 days of use within 12 continuous months. RCW 88.02.570(4).

Foreign nonresidents can extend their registration exempt stay if, before the 61st day of use here, they purchase a vessel visitor permit from the Department of Licensing. This permit is valid as long as the vessel remains currently registered or numbered under the laws of a country other than the United States or the United States customs service cruising license remains valid. RCW 88.02.570(4) and RCW 88.02.610.

Foreign nonresident *individuals* are also exempt from registering their vessels (of 30 feet or longer) for a one-year period if they purchase a vessel use permit. The use permit must be purchased at the time of purchase of the vessel or within 14 days of first entering the state with the vessel. RCW 88.02.570(13) and RCW 88.02.620.

Purchases of vessels in Washington by nonresidents – Sales tax chapter 82.08 RCW

Sales tax exemption for vessels purchased in this state by nonresidents

Both domestic and foreign nonresidents may purchase a vessel in this state without payment of sales tax pursuant to RCWs 82.08.0266 and 82.08.02665. Both statutes require:

1. The vessel will not be used within this state for more than 45 days, and
2. An appropriate exemption certificate, supported by identification signed by the purchaser establishing that the purchaser is a resident of another state or foreign country (and not a Washington resident), and that the vessel is for use outside of this state.

Once the purchased vessel has been removed from this state (within 45 days), it may return to this state tax exempt for the balance of the temporary use period (the initial 60 days plus two 60 day extensions for a total of 180 days for vessels owned by individuals or 60 days for vessels owned by others within a continuous 12-month period). WAC 458-20-238(4)(b)

Use permits for vessels purchased in this state by nonresidents

RCW 82.08.700 provides a sales tax exemption for certain nonresident individuals who purchase a vessel of 30 feet or longer in this state from a vessel dealer. The nonresident individual must purchase a one-year use permit from the vessel dealer. The purchase of the vessel and the purchase of the use permit must occur at the same time. The law does not allow a nonresident individual who purchases a vessel 30 feet or longer from a vessel dealer in Washington to separately purchase a use permit from another vessel dealer.

A nonresident opting to purchase a use permit, makes an irrevocable election to forgo taking the sales tax exemption under either RCW 82.08.0266 or 82.08.02665 (as discussed above). The vessel must be removed from this state before the use permit expires and may not return to this state for 24 months after the expiration of the use permit.

Use of vessels in Washington by nonresidents – Use tax chapter 82.12 RCW

Both domestic and foreign nonresidents may use their vessels in Washington for up to 60 days during any continuous 12-month period without incurring a use tax liability. WAC 458-20-238(4)(b)

Domestic nonresident individuals may use their vessels in Washington for up to 6 months during any continuous 12-month period without incurring a use tax liability. To qualify for this six-month exemption period, the watercraft must be issued a valid number under federal law or by an approved authority of the state of principal operation, be documented under the laws of a foreign country, or have a valid United States customs service cruising license. The watercraft must also satisfy all identification requirements under RCW 88.02.030 for any period after the first sixty days. Failure to meet the applicable documentation and identification requirements will result in a loss of the exemption.

A use tax exemption is also available to domestic and foreign nonresident individuals who acquired a vessel of 30 feet or longer outside Washington and purchase a one-year use permit from a licensed vessel dealer within 14 days of first entering the state with the vessel. The vessel must be removed from this state before the use permit expires and may not return to this state for 24 months after the expiration of the use permit. RCW 82.12.700.

Vessels in Washington for repairs

Vessels owned by nonresidents that are in this state exclusively for repairs are not subject to use tax and registration requirements if the owner of the vessel files a repair affidavit with the Department of Revenue every 60 days that the vessel remains at the repair facility. RCW 88.02.570(6) and WAC 458-20-238.

This information is also available as a chart.

For further information on cruising in Washington State, also see the following links to visitor information and vessel usage: visiting and recreation website and the State Parks boating program .