



*Sales & Use Tax Division*  
*P.O. Box 530*  
*Columbus, Ohio 43216-0530*  
*tax.ohio.gov*

### **Sales of Watercraft and/or Outboard Motors to Non-Residents of Ohio**

The Ohio sales tax applies to sales of watercraft and outboard motors (either titled or documented) to non-residents of the state of Ohio provided the non-resident's state imposes a sales, use, excise or similar tax on the sale. The rate of tax to apply to the sale price is the lower of the rate at the dealer's location in Ohio, or the rate in the jurisdiction in the resident state where the customer will title, register, or use the watercraft or motor. If there is no sales tax imposed or credit for taxes paid in Ohio is not granted by the resident state, then no tax should be collected by the Ohio boat dealer. See section 5739.027, Ohio Revised Code, for more information.

The Non-Resident Watercraft and/or Outboard Motor Sales Tax Return (ST WC NR) is to be used by Ohio watercraft dealers to report sales of watercraft and titled outboard motors to residents of other states. Sales to non-residents are not to be reported on the regular vendor's license return, form UST-1. Follow these instructions for reporting the sales and use tax on sales to non-residents.

**STEP 1:** For every sale of a titled watercraft or outboard motor to a resident of another state, the purchaser must complete the form, "Watercraft and Outboard Motor Affidavit Regarding Sales to an Out-of-State Resident. (ST-WC AFF). This form determines the amount of tax due for the sale. The Ohio Tax Base would be the price of the watercraft or outboard motor, less the amount allowed for a trade-in of a like item if the dealer is licensed with the Ohio Department of Natural Resources. The Ohio tax amount would be the Ohio Tax Base multiplied by the tax rate in effect in the county of the watercraft dealer. The tax due in the nonresident's state must also be disclosed. The lesser of these two amounts will be reported on the Non-Resident Watercraft and/or Outboard Motor Sales Tax Return. As a guide to determine other state's rates and if they grant a credit for taxes paid in Ohio, see the Sales Tax Watercraft Survey \* under the Sales Tax section of the Department of Taxation Web site, tax.ohio.gov

**STEP 2:** Complete the back of the form Non-Resident Watercraft and/or Outboard Motor Sales Tax Return for every sale to a nonresident, whether tax is due in Ohio or not.

**Purchaser's Last Name** – Enter the purchaser's last name exactly as it appears on the Non-Resident affidavit that you must attach and submit with this return.

**Non-Resident's State** – Enter the Non-Resident's state of residence.

**Ohio's Tax Base** – Enter Ohio's tax base from the affidavit.

**Tax Liability** – Enter the lower of the Ohio tax, or the tax due in the other state. These should be listed on the affidavit.

**Total Tax Liability** – Total the Tax Liability column and carry forward to line 1 on the front of this form.

**STEP 3:** Complete side 1 of the Non-Resident Watercraft/Outboard Motor Sales Tax Return.

**Line 1: Tax Liability** – This amount should be carried forward from the Total Tax Liability on the reverse side of the return.

**Line 2: Discount** – If the return is received by the Department of Taxation by the date indicated on the return, enter .75% (.0075) of the tax on line 1.

**Line 3:** If the return will not received by the due date, enter the additional charge for late filing of \$10.00.

**Line 4: Net Amount Due:** Enter either the difference of line 1 minus line 2, or the amount of line 1 plus line 3. If tax is due, make your check payable to "Ohio Treasurer of State" and send it with this return to Ohio Department of Taxation, P.O. Box 530, Columbus, Ohio 43216-0530.

\* Use only as a guide. Rates in other states and local jurisdictions are subject to change.