



Florida Department of Revenue
Tax Information Publication

TIP

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Exemption Extended for Large Boats Sold to Nonresidents

Effective July 1, 2009, a nonresident purchaser may purchase a boat of **5 net tons of admeasurement or larger (a qualified boat)** exempt from tax and keep the qualified boat in Florida for a period of 180 days under certain conditions, rather than 90 days as previously allowed.

SELLERS' CRITERIA FOR EXTENDED EXEMPTION:

1. The selling dealer must be registered with the Florida Department of Revenue.
2. The qualifying boat must be sold to a nonresident purchaser.
3. The nonresident purchaser must apply to the selling dealer at the time of sale for a decal that authorizes the boat to remain in this state for 90 days.
4. Within 60 days after the date of purchase, the nonresident purchaser must apply to the selling dealer for an extension decal that authorizes the boat to remain in this state for an additional 90 days, but not more than a total of 180 days.
5. The selling dealer is responsible for purchasing the 90-day decal from the Department, validating the decal, and affixing the decal to the boat.
6. The selling dealer is responsible for purchasing the extension decal from the Department and affixing the extension decal to the boat.

HOW TO ORDER THE 90-DAY EXTENSION DECALS:

Request an *Application for Extension of 90-Day Decal to 180 Days* (Form DR-42E) by calling the Department's Boat Enforcement Unit at 850-488-3821. The extension decal sheets cost \$425.00. There are two decals per sheet, one for each side of the boat.

SELLERS' FAILURE TO COMPLY:

The Department will pursue collection of the tax, penalty, and interest from the selling dealer if any of the following conditions occur:

- A. The required documentation is not submitted and maintained.
- B. The decals are issued falsely, are not affixed to the boat, are incorrectly marked for expiration, or are not properly accounted for. A 200 percent penalty will apply, in addition to the tax. Further, the dealer may be subject to imprisonment of up to 1 year and a fine of up to \$1,000.

PURCHASERS' CRITERIA FOR EXTENDED EXEMPTION:

1. Within 10 days of removal of the boat, the nonresident purchaser must provide the Department proof of removal. This proof includes copies of out-of-state fuel receipts, dockage charges, or repair bills.
2. Within 30 days of removal of the boat, the nonresident purchaser must provide the Department written proof that it was licensed, titled, registered, or documented outside Florida. If such proof is not available within 30 days, the purchaser must provide written proof to the Department that he or she has applied for a license, title, registration, or documentation of the boat outside Florida within the 30-day period. A copy of the license, title, registration, or documentation of the boat outside Florida must be provided to the Department when issued.

PURCHASERS' FAILURE TO COMPLY:

The Department will pursue collection of the tax, penalty, and interest from the nonresident purchaser of a qualified boat if any of the following conditions occur:

- A. The boat is not removed from Florida within the maximum 180 days after the date of purchase. The authorized extension period cannot be interrupted or extended for any purpose, including repairs.
- B. The required documentation is not provided to the Department within the specified time frames.
- C. The boat returns to Florida within 6 months of departure except for repairs, alterations, refitting, or modifications by a registered repair facility. The penalty is an amount equal to the tax and is mandatory.
- D. The decal is removed, defaced, changed, modified, or altered in any way that affects its expiration date before it expires. A 200 percent penalty will apply, in addition to the tax. Further, the nonresident purchaser may be subject to imprisonment of up to 1 year and a fine of up to \$1,000.

Reference: Section 212.05, Florida Statutes

FOR MORE INFORMATION

This document is intended to alert you to the requirements contained in Florida laws and administrative rules. It does not by its own effect create rights or require compliance.

For forms and other information, visit our Internet site at www.myflorida.com/dor or call Taxpayer Services, 8:00 a.m. to 7:00 p.m., ET, Monday through Friday, excluding holidays, at 800-352-3671.

Persons with hearing or speech impairments may call our TDD at 800-367-8331 or 850-922-1115.

For a detailed written response to your questions, write the Florida Department of Revenue, Taxpayer Services, 5050 West Tennessee Street, Building L, Tallahassee, FL 32399-0112.

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