

AUDIT SERVICES

**BOAT &  
WATERCRAFT  
DEALERS**

TAX MATRIX

**INDUSTRY GUIDANCE**

<b>Category:</b>	Boat & Watercraft Dealers	<b>Tax Type:</b>	Sales & Use Tax
<b>Brief Description:</b>	Boat & Watercraft Dealers Tax Matrix	<b>Issuance Date:</b>	10-24-2022
		<b>Revision Date:</b>	10-24-2022

The taxability of sales and purchases of tangible personal property and labor services by boat and watercraft dealers are summarized below. While this document provides general information as to the taxability of sales and purchases of tangible personal property and labor services by businesses in the boat and watercraft industry, it may not necessarily cover every situation as the taxability may depend on facts and circumstances around the specific transaction. Should a more definitive determination be desired, businesses may request a letter ruling from the Department. [MODOR Letter Ruling Page](#)

***This list is not all-inclusive.***

Missouri sales or use tax applies to those purchases identified or designated as taxable in the chart below. The applicable Missouri sales or Missouri consumer's use tax must be paid to the vendor or accrued and remitted directly to the Missouri Department of Revenue. Purchases from Missouri vendors may be reported using the retailer's sales tax return. Purchases from outside this state which are delivered to this state are to be reported on the Missouri consumer's use tax return.

<b>Sales by Boat &amp; Watercraft Dealers:</b>	<b>Taxable/Exempt</b>
Boats	Taxable (tax is due when titled)
Boat trailers	Taxable (tax is due when titled)
Wave runners	Taxable (tax is due when titled)
Jet skis	Taxable (tax is due when titled)
Canoes	Taxable
Lifejackets	Taxable
Covers	Taxable
Maps	Taxable
Towels	Taxable
Parts	Taxable
<a href="#">Repair Labor</a>	Exempt

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<b>Sales by Boat &amp; Watercraft Dealers (continued):</b>	<b>Taxable/Exempt</b>
Tires	Taxable
Batteries	Taxable
Accessories	Taxable
Service fees	Exempt
Shipping	Exempt
Warranties	Exempt
Merchandise (apparel, koozies, hats)	Taxable
Shop Supplies	Taxable

<b>Purchases by Boat &amp; Watercraft Dealers:</b>	<b>Taxable/Exempt</b>
Items purchased for resale	Exempt
Shop tools	Taxable
Office supplies such as office forms, staplers, paper, pens, pencils, labels, business cards, ink, toner, ribbon cartridge, etc.	Taxable
Furniture and fixtures, including but not limited to: desks, lamps, tables, chairs, artwork, signs, plants and planters, shelving, etc.	Taxable
Promotional items including but not limited to: calendars, mugs, clothing, balloons, etc.	Taxable
Complimentary bottled water, coffee, soft drinks, creamer, sugar, cups and stir sticks, candy, etc.	Taxable
Educational materials such as posters, printed materials and literature, etc.	Taxable
Computer & internet equipment	Taxable
Donations of tangible personal property	Taxable
Specialty advertising	Taxable
Media advertising	Exempt
Utilities	Taxable

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<b>Purchases by Boat &amp; Watercraft Dealers (continued):</b>	<b>Taxable/Exempt</b>
Books, newspaper, and magazine subscriptions	Taxable
Canned software and software upgrades to maintain or update software delivered via CD Rom	Taxable
Canned software provided via electronic download through the internet	Exempt
Custom software and software upgrades to maintain or update software developed for a single end user	Exempt
Security cameras & other security related equipment	Taxable
Security monitoring services	Exempt
Streaming music services	Exempt
Trash & cleaning services	Exempt
Janitorial supplies	Taxable
Pest control services	Exempt
Uniforms	Taxable
Repair and replacement parts for repairing, altering, or maintaining tangible personal property such as computers, printers, copiers, security equipment, etc.	Taxable
Repairs, maintenance, and remodeling services to existing structure/facility through a hired contractor	Exempt
Warranty or service agreements for tangible personal property such as computers, printers, copiers, security equipment, etc.	Exempt