

Special Notice

Intended audience: Nonresident vessel owners

July 23, 2021

Nonresident vessel permits

Washington law provides that a properly registered nonresident vessel is not subject to Washington registration requirements or use tax if the vessel is used in Washington for no more than 60 calendar days during any continuous 12-month period. Generally, nonresident vessel permits may be purchased to extend the time of use in this state without incurring a Washington registration obligation, and in some cases without a use tax obligation.

There are significant changes to the nonresident vessel permit requirements and the application of use tax for certain nonresident vessels when used in Washington (SHB 1107, Chapter 150, Laws of 2021). These changes take effect on July 25, 2021 and expire Jan. 1, 2029.

This special notice includes updated requirements and criteria for obtaining nonresident vessel permits. If you intend to obtain a nonresident vessel permit, please see the requirements below that best fits your situation:

- Vessel owned by nonresident individuals (natural persons) used for personal use.
- Vessel owned by nonresident legal entities (non-natural person).
- Nonresident vessels used to provide charter services with a captain and/or a crew.

Nonresident individuals (natural persons)

A vessel owner who is a nonresident individual (natural person) must obtain a nonresident vessel permit on or before the 61st day of use of the vessel in this state if the vessel meets **all** of the following:

- Is a “properly registered nonresident vessel”.
- Has been brought into Washington state for not more than six months in any continuous 12-month period.
- Is used for personal use.

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Nonresident entities

A vessel owner who is a nonresident entity must obtain a nonresident vessel permit on or before the 61st day of use of the vessel in this state if the vessel meets **all** of the following:

- Is a “properly registered nonresident vessel”.
- Has been brought into Washington state for not more than six months in any continuous 12-month period.
- Is used for personal use.
- The vessel is at least 30 feet in length, but no more than 200 feet in length.
- No Washington state resident is a principal of the nonresident entity that owns the vessel.
- The Department of Revenue has provided the nonresident vessel owner written approval authorizing the permit.

Application to the Department of Revenue

Nonresident entity vessel owners must apply directly to the Department of Revenue for written approval before seeking a nonresident vessel permit from DOL as provided below. Nonresident vessel owners must use a [Nonresident Vessel Permit Approval Application](#) to apply.

If the department determines that the nonresident vessel owner is eligible for the permit, the department will provide written approval to the nonresident vessel owner that authorizes issuance of the permit.

Nonresident vessel chartered with captain (skipper)/crew

A vessel owner who is a nonresident intending to use their vessel to provide charter services with a captain or a crew must obtain a nonresident vessel permit on or before the 61st day of use of the vessel in this state if the vessel meets all of the following:

- Is a “properly registered nonresident vessel”.
- Has been brought into Washington state for not more than six months in any continuous 12-month period.
- Is used for the purposes of chartering a vessel with a captain or crew, as long as each charter is at least three consecutive days in duration. **Note:** All skippered/crewed charters must be for a minimum of three (3) days. The permit applies for any necessary transit to and from the start or end of a charter, but this transit time is not counted toward the duration of the charter.
- The vessel is at least 30 feet in length, but no more than 200 feet in length.
- No Washington state resident owns or is a principal of the nonresident entity that owns the vessel.

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- The Department of Revenue has provided the nonresident vessel owner written approval authorizing the permit.

Application to the Department of Revenue

Nonresident vessel owners who intend to charter their vessel with a captain or crew must apply directly to the Department of Revenue for written approval before seeking a nonresident vessel permit from DOL. Nonresident vessel owners must use a [Nonresident Vessel Permit Approval Application](#) to apply.

If the department determines that the nonresident vessel owner is eligible for the permit, the department will provide written approval to the nonresident vessel owner that authorizes issuance of the permit.

Business licensing/Tax registration requirement

Nonresident vessel owners who intend to charter their vessels and provide a captain and/or a crew must obtain a [business license and register with the Department of Revenue](#).

Taxability of charter services

For information on the application of taxes to providing charter boat services, please see the information in our [tax guide for vessel dealers and brokers](#).

Use tax

The use of a nonresident vessel permit for chartering with a captain or crew is subject to use tax based on the reasonable bare rental value of the vessel ([RCW 82.12.010\(7\)](#)).

Any use tax due must be remitted with the business's combined excise tax return.

Properly registered nonresident vessel

A "properly registered nonresident vessel," is a nonresident vessel that is currently registered or numbered under the laws of the state or county of principal operation, has been issued a valid number under federal law, or has a valid United States customs service cruising license issued under 19 C.F.R. Sec. 4.94.

Where to obtain a nonresident vessel permit

You can obtain a nonresident vessel permit from the [Department of Licensing \(DOL\)](#), county auditor or other agent, or subagent appointed by the director and is valid for two months.

More information

[SHB 1107, Chapter 150, Laws of 2021](#)

[DOL's nonresident vessel permit information and applicable fees](#)

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