

Special Notice

Intended audience: Retailers of marine equipment and vessels, consumers.

June 15, 2020

Batteries for electric vessel and marine propulsion systems tax exemption

Effective July 1, 2020, [Substitute House Bill 2486](#) amends [RCW 82.08.966](#) to include a sales and use tax exemption for electric vessel marine propulsion systems that use marine batteries and shoreside battery infrastructure.

What's new?

Effective July 1, 2020 through July 1, 2030, the electric marine exemption includes:

- The sale of batteries and battery packs used to exclusively power electric marine propulsion systems or hybrid electric marine propulsion systems with a continuous power greater than fifteen kilowatts.
- The sale of labor and services rendered in respect to installing, repairing, altering, or improving qualifying batteries or battery packs.
- The sale of new shoreside batteries purchased and installed for the purpose of reducing grid demand when charging electric and hybrid vessels.
- The sale of labor and services rendered in respect to installing, repairing, altering, or improving shoreside batteries or shoreside battery infrastructure, including the sale of tangible personal property that will become a component of this infrastructure.

Buyers

- In order to receive the exemption on qualified purchases, buyers must provide the seller a completed [Buyer's Retail Sales Tax Exemption Certificate](#).

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For tax assistance or to request this document in an alternate format, visit dor.wa.gov or call 360-705-6705. Teletype (TTY) users may use the Washington Relay Service by calling 711.

- If you are a registered business who is also the buyer, you must complete the **Buyer's Sales and Use Preference Addendum** in My DOR when filing your excise tax return.

Sellers

- When reporting such sales on your excise tax return, use deduction, Sales of Batteries / Infrastructure for Electric and Hybrid Vessels.
- If you file by paper, you will need to use the **Other deduction** and write in Sales of Batteries / Infrastructure for Electric and Hybrid Vessels.

Definitions

Battery means a secondary battery or storage cell that can be charged, discharged into a load, and recharged many times, and includes one of several different combinations of electrode materials and electrolytes.

Battery pack means a group of any number of secondary or rechargeable batteries within a casing and used as a power source for battery-powered electric marine propulsion systems or hybrid electric marine propulsion systems.

Hybrid electric marine propulsion system means a propulsion system that includes two or more sources of propulsion in one design, one of which must be electric.

Shoreside batteries means batteries installed at a dock or similar location to provide an electric charge to a vessel powered by an electric marine propulsion system.

Shoreside batteries infrastructure means the shoreside battery bank, charging apparatus, and emergency services generator.

More information

- Read [Substitute House Bill 2486](#).
- See [RCW 82.08.996](#) and [RCW 82.12.996](#).
- Learn more on our [Renewable Energy / Green Incentives](#) webpage.

Questions?

If you have questions please call 360-705-6705.

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