

**17 NCAC 07B .4602      BOATS, BOAT TRAILERS, AND ACCESSORIES**

A retail sale of a boat with a boat trailer is considered to be the sale of two separate articles. The retail sale of the boat trailer, a motor vehicle within the meaning of the statute, is subject to the three percent highway use tax. The retail sale of the boat is subject to the three percent rate of tax with a maximum tax of one thousand five hundred dollars (\$1,500.00) applicable to the sale of any boat except for those sales exempt from tax under the provisions of G.S. 105-164.13(9). The tax shall be computed on the gross sales price of the boat, including charges for the boat motor, fenders, boat and motor controls, compasses, windshields, horns, lights, or any other parts or accessories, all of which must be attached thereto at the time of delivery to the purchaser, labor for installing such parts and accessories, freight or any other charge for preparing the boat for sale. Life jackets, life rings, cushions, flares, fire extinguishers and rope are considered to be safety equipment rather than accessories to the boat and sales of such items at retail are subject to the general State tax and any applicable local sales or use tax notwithstanding they are sold with the boat. Parts and accessories, including boat motors, fenders, boat and motor controls, lights, windshields, horns and other above-named items sold separately from the sale of a boat are also subject to the general State tax and any applicable local sales or use tax.

*History Note:*      *Authority G.S. 105-164.4; 105-164.6; 105-262;*  
*Eff. February 1, 1976;*  
*Amended Eff. August 1, 2002; October 1, 1993; October 1, 1991; July 1, 1990; January 3, 1984;*  
*Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. May 25,*  
*2019.*