



MARINE RETAILERS ASSOCIATION OF THE AMERICAS
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April 23, 2025

The Honorable Neal Collins
Chairman
South Carolina House Committee on Ways and Means
Subcommittee on Personal Property Tax
Room 525, Blatt Building
1105 Pendleton Street
Columbia, South Carolina 29201

Written Testimony: H. 3858– Taxation on boats– Support

Dear Chairman Collins, and Members of the House Committee on Ways and Means Subcommittee on Personal Property Tax:

The Marine Retailers Association of the Americas (MRAA) and South Carolina based members, write today to urge that you vote in favor of H. 3858 to help make the cost of boat ownership more competitive in South Carolina, ultimately benefitting the entirety of the Palmetto State's outdoor recreation economy.

MRAA is the leading trade association of North American small businesses that sell and service new and pre-owned recreational boats and operate marinas, boatyards, and accessory stores. MRAA represents more than 1,300 individual member retail locations and advocates on their behalf.

While recreational boating in South Carolina is a major economic driver generating \$6.5 billion in annual economic impact and supporting more than 27,000 jobs at over 600 businesses, high personal property tax rates throughout the Palmetto state make the cost of boat ownership for the everyday American difficult, limiting the owner's ability to use the vessel and ultimately impacting the entirety of South Carolinas recreational boating industry. Boat ownership has many associated costs such as fuel, regular service, safety equipment, and titling and registration fees, just to name a few. Adding high personal property taxes on top of those necessary costs can make the actual cost of what would otherwise be an affordable vessel nearly impossible for everyday Americans throughout South Carolina.

To highlight the undue burden current personal property tax rates put on South Carolina recreational boaters, the MRAA analyzed personal property tax rates on vessels in 6 neighboring states. For our analysis we picked a 2023 Sportsman TOURNAMENT 21, a South Carolina built Boat which, complete with a Yamaha F200XB Outboard and trailer, retails for \$70,000. In our analysis, we picked the County with the highest personal property tax rate throughout the state, and for the vessel in question in Bamberg County, South Carolina the personal property tax would be \$5,443. Furthermore, because both vessels and outboard motors are titled in South Carolina, boat owners are taxed on both items. In Bamberg County, South Carolina, the tax on the outboard would be, \$1,247.61, resulting in a total tax bill of \$6,690.61. The same vessel, if located in Scotland County, North Carolina would be subjected to a personal property tax of only \$693, and if located in Pittsylvania County, Virginia, would be subjected to a personal property tax of \$1,890, and if located in

Randolph County, Georgia, would be subject to a personal property tax of \$602.04. Furthermore, it is important to note that out of the 6 states analyzed, 3 states, Florida, Alabama, and Tennessee, do not charge any personal property tax on vessels.

As shown above, lowering personal property taxes on recreational vessels, as put forth in H. 3858, stands to immensely reduce the cost of boat ownership for everyday Americans and will help to further fuel the success of South Carolina's recreational boating industry. It is easy to see the burden high personal property tax rates put on the everyday American, especially when compared to neighboring states with a much lower tax rate on personal property, or no personal property tax at all. It is also important to understand that South Carolina residents are also facing a tax on their outboard motors as well, which adds in an additional cost to boat ownership that residents in non-titling states do not face. Furthermore, this legislation will also benefit small businesses throughout the state, as marine dealers will likely see an increase in vessel sales, service, and storage, as more boaters will choose to buy and keep their vessel in the State.

Again, the MRAA and our South Carolina based members, urge you to support H. 3858 to help make the cost of boat ownership more competitive and ultimately help fuel the success of the state's recreational marine industry. Please do not hesitate to reach out with any questions and we thank you in advance for your consideration of our request.

Sincerely,

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