

Sales Tax on boats sold in NJ capped!

New Jersey Senate Bill S2784 has been signed by Gov. Christie!

In order to be competitive with most other east coast states, including FL, NY and MD, where boat sales and their use is a major contributor to their economies, New Jersey has passed a modification of its current sales tax schedule.

What S2784 means: The New Jersey sales tax of 7% will now be reduced (after Feb. 1st, 2016) by 50% for every boat sold or berthed in NJ. This effectively makes the sales and use tax 3.5% across the board, regardless of the price of the boat - with a cap of \$20,000!

“This is a monumental moment for boat buyers and the industry” said Lou Piergross of South Jersey Yacht Sales in Cape May and Point Pleasant. **“This will help revive the yacht sales business in our state by making us competitive again. For several years, NJ boat dealers have worked with a disadvantage because of these tax caps in other states. We will now be on a level playing field. Not only will the industry grow, but New Jersey will reap the benefit of returning tax revenue.”**

“Along with the Marine Trades Association of NJ, the Recreational Fishing Alliance, and numerous others, we worked for months with Senators Van Drew, Whelan and Assemblymen Andrzejczak and Johnson to pass this legislation,” said Rick Weber of South Jersey Marina. **We had remarkable bi-partisan support led by Sen. Van Drew, and nearly the unanimous votes of both parties and both houses as well as support from Lt Governor Kim Guadagno. Governor Christie then improved the bill with language he stipulated in his Conditional Veto and subsequently approved it. The result is a piece of common-sense legislation for the boating industry, boaters, tourism and our state.**

“In addition, this bill will also modify the “use tax” on boaters visiting New Jersey,” added Weber. **“Prior to S2784, out-of-state boaters that were in our waters were subject to a tax upon arrival. The state will now afford boaters a grace period of 30 days which will make New Jersey more boater friendly, ultimately bringing new visitors by boat to our shore towns, marinas and coastal businesses.”**