



Dealer's Vessel and Outboard Motor Inventory Tax Statement

Property Tax
Form 50-260

CONFIDENTIAL

Reporting Month _____

Year _____

Page _____ of pages _____

Send Original with Payment to: County Tax Office Name and Address _____

Phone (area code and number) _____

Send Copy to: Appraisal District Name and Address _____

Phone (area code and number) _____

This document must be filed with the county tax assessor-collector's office and the appraisal district office in the county in which your business is located. Do not file this document with the office of the Texas Comptroller of Public Accounts. Location and address information for the county tax assessor-collector's office in your county may be found at comptroller.texas.gov/propertytax/references/directory/tac. Location and address information for the appraisal district office in your county may be found at comptroller.texas.gov/propertytax/references/directory/cad.

GENERAL INSTRUCTIONS: This inventory tax statement must be filed by a dealer of vessel and outboard motor inventory pursuant to Tax Code Section 23.125. This statement is filed together with an amount equal to the total amount of the unit property tax assigned to all vessels and outboard motors sold in the preceding month. File a separate statement for each business location and retain documentation.

WHERE TO FILE: This document and prepayment of taxes must be filed with the county tax assessor-collector's office. A copy of each statement must be filed with the appraisal district office.

STATEMENT DEADLINES: Except as provided by Tax Code Section 23.125(g), a statement and prepayment of taxes must be filed on or before the 10th day of each month.

PENALTIES: A dealer who fails to file or timely file a statement commits a misdemeanor offense punishable by a fine not to exceed \$100 with each day that the dealer fails to comply a separate violation. In addition to other penalties provided by law, a dealer who fails to file or timely file a statement must forfeit a penalty of \$500 for each month or part of a month in which a statement is not filed or timely filed after it is due. A tax lien attaches to the dealer's business personal property to secure payment of the penalty. In addition to other penalties provided by law, an owner who fails to remit unit property tax due must pay a penalty of 5 percent of the amount due. If the amount due is not paid within 10 days after the due date, the owner must pay an additional 5 percent of the amount due. Unit property taxes paid on or before Jan. 31 of the year following the date on which they are due are not delinquent.

OTHER IMPORTANT INFORMATION

The chief appraiser or collector may examine documents held by a dealer in the same manner and subject to the same conditions as provided by Tax Code Section 23.124(g) and 23.125(f).

STEP 1: Dealer Information

Name of Dealer _____

Mailing Address _____

City, State, ZIP Code _____

Phone (area code and number) _____

Name of Person Completing Statement _____

Title _____

STEP 2: Business Location Information

Provide the appraisal district account number if available or attach a tax bill or copy of appraisal or tax office correspondence concerning your account. Provide the dealer's and manufacturer's numbers issued by the Texas Parks and Wildlife Department (TPWD).

Name of Business _____

Address, City, State, ZIP Code _____

Account Number _____

TPWD Dealer's and Manufacturer's Numbers _____

STEP 4: Units Sold and Sales Amount

Breakdown of Units Sold for Reporting Month

Vessel and Outboard Motor Inventory	Fleet Transactions	Dealer Sales	Subsequent Sales
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Breakdown of Sales Amounts for Reporting Month

\$ _____

Vessel and Outboard Motor Inventory	Fleet Transactions	Dealer Sales	Subsequent Sales
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STEP 5: Signature

print here → _____

Print Name	Title
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sign here → _____

Authorized Signature	Date
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If you make a false statement on this report, you could be found guilty of a Class A misdemeanor or a state jail felony under Penal Code Section 37.10.

Additional Instructions

¹ **Type of Sale:** Place one of the following codes by each sale reported:

VM – vessel and outboard motor inventory – the sale of watercraft used or capable of being used for transportation on water that is not more than 65 feet in length (vessels) and the sale of self-contained internal combustion propulsion systems which are used to propel vessels and which are detachable as a unit from the vessel (outboard motors). The term “vessel” also includes a vehicle that is designed to carry watercraft and is either a “trailer” or “semitrailer” as defined by Transportation Code Section 501.002(23) and (29). The term “vessel” does not include watercraft of more than 65 feet in length; or a seaplane on water; or canoes, kayaks, punts, rowboats, rubber rafts, or other vessels under 14 feet in length when paddled, poled, oared, or windblown. This category does not include a fleet transaction, dealer sale, or subsequent sale, each of which is defined below. Only this type of sale has a unit property tax (see below). [See, Tax Code Sections 23.124(a)(8), (14), (15); and Parks and Wildlife Code, Section 31.003.]

FL – fleet transaction – the sale of five or more vessels or outboard motors from a dealer’s vessel and outboard motor inventory to the same business entity within one calendar year. [Tax Code Section 23.124(a)(7).]

DL – dealer sale – the sale from a dealer’s vessel and outboard motor inventory to another dealer, that is, a person who holds a dealer’s and manufacturer’s number issued by the Parks and Wildlife Department under the authority of Parks and Wildlife Code Section 31.041, or is authorized by law or interstate reciprocity agreement to purchase vessels or outboard

motors in Texas without paying the sales tax. The term does not include the manufacturer of vessels or outboard motors. [See, Tax Code Section 23.124(a)(3).]

SS – subsequent sale – a dealer-financed sale of a vessel or outboard motor that, at the time of the sale, has been the subject of a dealer-financed sale from the same dealer’s vessel and outboard motor inventory in the same calendar year. [Tax Code Section 23.124(a)(12).]

² **Sales Price:** The price as set forth on the “Application for Texas Certificate of Number/Title, for Boat/Seller, Donor or Trader’s Affidavit” for a vessel, the “Application for Texas Certificate of Title for an Outboard Motor/Seller, Donor or Trader’s Affidavit” for an outboard motor, or the “Application for Texas Certificate of Title” for a trailer treated as a vessel, or the price that would appear if those forms were used.

³ **Unit Property Tax:** To compute, multiply the sales price by the unit property tax factor. For fleet, dealer and subsequent sales that are not included in the vessel and outboard motor inventory, the unit property tax is \$-0-. Contact either the county tax assessor-collector or county appraisal district for the current unit property tax factor. The unit property tax factor is calculated by dividing the prior year aggregate tax rate by 12. If the aggregate tax rate is expressed in dollars per \$100 of valuation, divide by \$100 and then divide by 12. It represents one-twelfth of the preceding year’s aggregate tax rate at the location. If no unit property tax is assigned, state the reason.

⁴ **Total Unit Property Tax for This Month:** Enter the total amount of unit property tax. This is the total amount of unit property tax that will be submitted with the statement to the collector.