SCDNR

NEWS RELEASE

Changes Coming to South Carolina Outboard Motor Registration and Watercraft Taxes this January

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Columbia, S.C. – Beginning January 1, 2027, outboard motors in South Carolina will no longer be required to be titled. Under Act 109 (H. 3858), *Taxation of Watercraft*, South Carolina boat owners will instead be required to register qualifying outboard motors annually with the South Carolina Department of Natural Resources (SCDNR).

The new legislation, signed by Gov. Henry McMaster on March 30, 2026, eliminates the state title requirement for outboard motors replacing it with an annual registration requirement. Beginning late 2026, SCDNR will align all taxable outboard motors to a watercraft which will be assessed as a single unit for tax purposes. A watercraft may have multiple outboard motors aligned with it for tax purposes, but each individual motor may be aligned to only one boat. This alignment is for tax purposes only and does not restrict South Carolina boat owners from transferring outboard motors between boats.

The annual $10 annual registration fee will appear on boat owner's county tax notices as early as November 2026 and will be aligned with the expiration of the boat it is aligned to. Following payment of the annual registration fee and applicable property taxes, a separate registration expiration decal will be issued for your watercraft and outboard motor(s). By law, all decals must be affixed to your boat and each motor.

The new legislation also establishes a new property tax exemption reducing the taxable value of your watercraft. The property tax exemption was established to reduce the associated tax liability of boat ownership and will be phased in over a three-year period.

Information and updates on the implementation of Act 109 can be found by visiting *www.dnr.sc.gov/boating*.

Questions and concerns about your watercraft property tax notifications should be directed to the county in which your boat is registered.

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