

## 23 VAC 10-230. WATERCRAFT SALES AND USE TAX

~~23 VAC 10-230-50. Civil penalties.~~

~~A. Failure to file or pay. When any person fails to file a return or pay the full amount of tax due thereon within 30 days from the time the watercraft was purchased in Virginia or required to be titled in Virginia, a specific penalty of 5.0% of the amount of unpaid tax will be added to the tax. An additional 5.0% penalty will be added to the tax for each additional 30 day period or fraction thereof during which the failure to file the return or pay the full amount of tax continues, such penalty not to exceed 25% in the aggregate. There is no minimum penalty.~~

~~As to a purchaser of watercraft from a dealer authorized by the Commissioner to collect the two percent tax on his taxable transfers, payment of the tax made in good faith by the purchaser to the dealer shall be deemed payment to the Department of Taxation. Accordingly, a purchaser having made such tax payment in good faith will not be subject to penalty because of the dealer's delinquency in remitting such tax to the Department of Taxation. See 23 VAC 10-230-90 for penalties applicable to dealers.~~

~~B. False or fraudulent return. Where willful intent exists to defraud the state of any tax due under this chapter, or in the case of willful failure to file a return with the intent to defraud the state of any such tax, a specific penalty of 50% of the amount of the proper tax will be assessed. It will be prima facie evidence of intent to defraud when a purchaser or user of a watercraft reports the sale price or current market value of his watercraft, as the case may be, at 50% or less of the actual amount.~~

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~~C. Collection of penalties. All penalties and interest imposed by this chapter will be payable by the purchaser or user of the watercraft and collectible by the Commissioner in the same manner as if they were a part of the tax imposed.~~

~~D. Interest. Interest at a rate determined in accordance with §58.1-15 of the Code of Virginia on the unpaid amount of the tax will accrue from the day after the original due date until the time of payment.~~