

**Illinois Department of Revenue  
Regulations**

**Title 86 Part 153 Section 153.101 Definitions**

**TITLE 86: REVENUE  
CHAPTER I: DEPARTMENT OF REVENUE**

**PART 153  
WATERCRAFT USE TAX**

**Section 153.101 Definitions**

As used in this Part, the terms listed below are defined as follows:

"Department" means the Department of Revenue.

"Immediate family member" means a spouse, mother, father, brother, sister, or child of the transferor.

*"Personal watercraft" means a vessel that uses an inboard motor powering a water jet pump as its primary source of motor power and that is designed to be operated by a person sitting, standing, or kneeling on the vessel, rather than the conventional manner of sitting or standing inside the vessel, and includes vessels that are similar in appearance and operation but are powered by an outboard or propeller drive motor. (Section 1-2 of the Boat Registration and Safety Act [625 ILCS 45/1-2]) An example of a personal watercraft is a jet ski.*

*"Purchase price" means the reasonable consideration paid for a watercraft valued in money whether received in money or otherwise, including, but not limited to, cash, credits, property, and services, and including the value of any motor sold with, or in conjunction with, the watercraft. Except in the case of transfers between immediate family members, reasonable consideration ordinarily means the fair market value on the date the watercraft or the share of the watercraft was acquired or the date the watercraft was brought into this State, whichever is later, unless the taxpayer can demonstrate that a different value is reasonable. In the case of transfers between immediate family members, reasonable consideration ordinarily means the consideration actually paid, unless it appears from the facts and circumstances that the primary motivation of the transfer was the avoidance of tax. [35 ILCS 158/15-5]*

*"Watercraft" means Class 2, Class 3, and Class 4 watercraft, as defined in Section 3-2 of the Boat Registration and Safety Act [625 ILCS 45/3-2] and personal watercraft, as defined in Section 1-2 of the Boat Registration and Safety Act [625 ILCS 45/1-2]. [35 ILCS 158/15-5] Section 3-2 of the Boat Registration and Safety Act defines these terms as follows:*

*"Class 2" watercraft means all watercraft 16 feet or more but less than 26 feet in length, except canoes and kayaks.*

*"Class 3" watercraft means all watercraft 26 feet or more but less than 40 feet in length.*

*"Class 4" watercraft means all watercraft 40 feet or more in length.*

