



SALES AND USE TAX FOR LOCAL GOVERNMENTS

The purpose of this publication is to provide general tax information regarding the sales and use tax responsibilities of local governments. This publication provides general information. It is not a substitute for tax laws or regulations.

WHAT IS A “LOCAL GOVERNMENT?”

- The term “local government” includes county commissions, county school boards, municipalities and local government authorities, boards and commissions created by or pursuant to an Act of the West Virginia Legislature.
- Such authorities, boards and commissioners include, but are not limited to:
 - County Airport Authorities;
 - County Building Commissions;
 - County Development Authorities;
 - County or Regional Airport Authorities;
 - County owned and operated hospitals, clinics, long-term care facilities and related facilities;
 - County Parks and Recreation Commissions;
 - County Solid Waste Authority;
 - Emergency Ambulance Service Authority;
 - Historic Landmarks Commission;
 - Municipal Building Commissions;
 - Municipal Electric Power Systems;
 - Municipal Park and Recreation Board;
 - Municipal Waterworks;
 - Museum Commissions;
 - Planning Commissions;
 - Regional Airport Authorities;
 - Regional Planning Council; and
 - Urban Mass Transit Authorities.

SALES BY LOCAL GOVERNMENTS

- **General Rule** – A local government entity that sells tangible personal property must collect sales tax. If the government entity provides services that are or may be in competition with services provided by the private sector, the government entity must collect sales tax on the consideration it receives from the transaction and remit it to the State Tax Department.
- **Rate of Tax** – The sales tax is based upon a rounding system. The purchase price is multiplied by 6%, carried to the third decimal place and rounded up to the next whole cent when the third decimal place is greater than four and rounded down to the lower whole cent when the third decimal place is four or less.

| Price | × 6% | Tax Amount |
|---------|-------|------------|
| \$10.00 | .600 | \$.60 |
| \$29.99 | 1.799 | \$ 1.80 |
| \$66.74 | 4.004 | \$ 4.00 |

- An additional municipal sales or use tax not greater than one percent may also apply if you are located within the boundaries of a municipality that imposes a municipal sales and use tax. For a list of municipalities, effective dates and rates, visit our website at:

<https://tax.wv.gov/Business/SalesAndUseTax/Pages/SalesAndUseTax.aspx>

EXAMPLES OF TAXABLE AND NONTAXABLE SALES BY LOCAL GOVERNMENTS

- The following lists are illustrative and are not all-inclusive.
 - **Taxable Sales:**
 - Pro Shop sales;
 - Sales of refreshments from concession stands;
 - Souvenir shop sales; and
 - Vending machine sales.
 - **Taxable Services:**
 - Admission to swimming pools, recreation centers, fitness centers, golf courses, etc.;
 - Catering services for parties, wedding receptions banquets, etc.;

- Charges for classes such as tennis, swimming, golf, aerobics, crafts, etc.;
 - Coin operated amusement devices;
 - Off-street parking unless particular space is leased for thirty or more consecutive days;
 - Room rentals such as hotel rooms, ballrooms, meeting rooms.
- **Nontaxable Transactions:**
- Fire service fees; Inspection fees;
 - License fees;
 - Marriage licenses;
 - Recording fees; and
 - Sewage fees.
-

**PURCHASES BY
LOCAL
GOVERNMENTAL
ENTITIES**

- **General Rule** – As a general rule, a West Virginia local unit of government is exempt from paying sales or use taxes when it purchases or leases tangible personal property and when it purchases taxable services. To claim this exemption, a Certificate of Exemption [[SSTGB Form F0003](#)] must be completed, properly executed and given to each vendor from whom tangible personal property is purchased or leased or taxable services are received.
 - **Reimbursed Employee Business Expenses** – When government employees make purchases related to their governmental business, such as motel rooms and meals while traveling on government business, such transactions are taxable unless the vendor directly bills the government entity that directly pays the vendor. If the employee pays and then seeks reimbursement from his or her employer, sales tax must be paid by the employee. Transactions paid for by means of a corporate charge card are taxable unless the credit card is in the name of the government entity and the credit card company directly bills the government entity that pays the invoice.
-

**ASSISTANCE AND
ADDITIONAL
INFORMATION**

- For assistance or additional information, you may call a Taxpayer Service Representative at:

**1-800-WVA-TAXS
(1-800-982-8297)**

Or visit our website at:

www.tax.wv.gov

File and pay taxes online at:

<https://mytaxes.wvtax.gov>
