



SALES AND USE TAX FOR INCIDENTAL INSTALLATION

The purpose of this publication is to discuss tax issues concerning retail dealers of wall to wall carpet, household appliances, draperies, awnings and other household improvement and maintenance items. This publication provides general information. It is not a substitute for tax laws.

SALES AND INSTALLATION OF WALL TO WALL CARPET, HOUSEHOLD APPLIANCES, AND OTHER PRODUCTS SUBJECT TO SALES TAX

- Any retailer/dealer who installs wall to wall carpeting, certain household appliances, drapery rods, window shades, venetian blinds, canvas awnings, mobile homes and other products that are sold from the retailer's inventory must collect and remit state sales and use tax on not only the sale of the product, but also any labor and material charges when the installation of the product is incidental to the sale of the product.
- An additional municipal sales and use tax may apply. For a list of municipalities, effective dates and rates, visit our website at:

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

- The incidental installation rule applies to transactions that meet ALL THREE of the following conditions:
 - 1) The product is sold by a retail dealer who maintains an inventory of the product or similar products; AND
 - 2) The product is installed by the retail dealer or the retailer's agent; AND
 - 3) The installation is incidental to the sale of the product.
- In determining whether the installation of the product is considered "incidental," a retail/dealer must first determine whether the product is one of the following types of items:

➤ wall to wall carpet	➤ mobile homes
➤ window air conditioning units	➤ dishwashers
➤ clothes washing machines or dryers	➤ other household appliances
➤ drapery rods	➤ window shades
➤ venetian blinds	➤ canvas awnings

If the product is listed above, the installation of that product is deemed to be "incidental". If a product is not listed, determination of whether installation of the product is "incidental" will be made on a case-by-case basis upon application to the Tax Department.

- Any retailer who makes incidental installation of products as discussed above is not required to pay sales or use tax when the retailer acquires any product or materials to be installed, if the retailer properly asserts the purchase for resale exemption with an exemption certificate. However, the retailer must collect sales tax from his or her customer on the resale of the product and any labor and material charges for the installation of the product.

EXAMPLE

A retail dealer of floor covering products sells and installs wall to wall carpet. Under the incidental installation rule, the retail dealer is required to collect sales tax from the customer on the price of the carpet, materials and installation charges. The retail dealer is not required to pay sales or use tax when the retailer purchases the carpet or withdraws the carpet from inventory if the retailer claims the exemption for purchases for resale by providing the vendor with a properly completed exemption certificate.

- The incidental Installation rule applies to retail dealers who install the product they sell and does not apply to contractors, who are not retail dealers and do not normally maintain an inventory of these types of products. For information concerning the application of sales tax to contracting activities please see Publication [TSD-310](#).

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>