



Sales and Use Tax for Dealers of Factory-Built Homes

This publication provides general information and is not meant to be a substitute for tax laws or regulations.

A "Factory-Built Home" includes modular homes, mobile homes, house trailers and manufactured homes. These homes are the types that, despite where they were assembled or how they were moved, can be set on a foundation for long-term residential use. See W. Va. Code § 37-15-2 for more information.

Sales Tax on Factory-Built Homes

Individuals who purchase a factory-built home to be used as their principal year-round residence must pay sales tax at the rate of 6% (or more if municipal sales tax applies) on 50% of the sales price of the home. The factory-built home dealer must obtain a Certificate of Principal Use ([WV/CST-281](#)) from the purchaser certifying that the factory-built home will be used as a principal year-round residence.

All other sales of factory-built homes are subject to the 6% tax rate on the full purchase price. Example: If a construction company purchases a factory-built home for \$100,000 to be used as an office, the sales tax is 6% of \$100,000 (\$6,000).

Factory-built home dealers must also collect the 6% (or more if municipal sales tax applies) sales tax from the customer for any labor and materials billed to the customer for the delivery, set up, hook up or installation of the factory-built home.

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>.

Site Preparation, Foundation Work and Major Utility Work "Contracting Activity"

Certain factory-built home installation activities are classified as contracting. Activities such as site preparation, construction of a permanent foundation or installation of electrical, water and sewage services, are contracting activities separate from the sale and installation of the factory-built home. Such activities are not incidental to the sale of the factory-built home. The person performing these contracting activities will not collect the sales tax from his customer on the charges made for these activities, but must pay sales or use tax on any machinery, equipment, supplies and materials purchased for use in providing the work. See [TSD 310](#) for more information on Sales and Use Tax for Construction Trades.

Additional \$20 Fee Dedicated to the West Virginia Affordable Housing Trust Fund

In addition to the sales tax, the dealer must collect a \$20 fee on the sale of a factory-built home. This fee, which is deposited in the Affordable Housing Trust Fund, will be used to assist low to moderate income individuals when they purchase a home.

The report period for this return is the same as the dealer's report period for filing the consumers sales tax return. Form [WV/FBH-100](#) must be used to remit the fee(s) collected, which are due on the 20th day of the following month.

For more information, you can:

- Call a Taxpayer Services Representative at (304) 558-3333 or toll-free at (800) 982-8297
- Email taxhelp@wv.gov
- Go Online to tax.wv.gov