



## Sales and Use Tax for Auctioneers

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

Sales and Use Taxes are imposed on sales of tangible personal property and selected services sold or used in West Virginia. A “sale” includes any transfer of the possession or ownership of tangible personal property for consideration, including lease or rental, when the transfer or delivery is made in the ordinary course of business and is made to the consumer or their agent for consumption or use or any other purpose.

“Services” or “Selected Services” refer to all **nonprofessional activities** engaged in for other persons for a consideration, but shall not include contracting, personal services or the services rendered by an employee to his employer or any service rendered for resale.

An auctioneer commissioned to sell property on behalf of another, and who is licensed under W. Va. Code § 19-2C-1, is considered a professional and therefore the auctioneer is providing services exempt from the sales and use tax. Services, fees or commissions received by an unlicensed auctioneer would be subject to the tax.

### Taxability of Goods Sold at Auction

Auctioneers need to be familiar with the laws governing taxability of the goods sold at auction.

An “isolated transaction” is when an auctioneer is hired to auction the furnishings and equipment from an owner’s home or farm on a one-time basis. This also applies to sheriffs’ sales and sales under chattel deeds of trust. An isolated transaction is not subject to sales tax unless the owner has engaged the auctioneer more than four times in the year. If the owner has engaged the auctioneer more than four times that year, regardless of whether all engagements occur at the same location, **all sales by that owner become taxable.**

Items that are purchased solely for resale are not subject to sales tax. Purchasers must present a properly completed tax exemption certificate ([SSTGB Form F0003](#)) to the auctioneer to qualify for the tax exemption.

**Auctioneers are responsible for collecting sales tax from those who buy taxable goods at auction and for remitting that tax to the Tax Division.** An additional municipal sales or use tax of 1% may also apply if the sale is 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 [tax.wv.gov](http://tax.wv.gov).

An auctioneer is required to pay tax on all of their purchases for use in business except those for resale.

#### 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](mailto:taxhelp@wv.gov)
- Go Online to [tax.wv.gov](http://tax.wv.gov)