



## Collection of Sales and Use Tax for All State Correctional Centers and Regional Jail Facilities

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

West Virginia Sales and Use Tax is 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 a 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.

**No current sales tax exemption applies for purchases of goods and services made by inmates.**  
Inmates are treated in the same manner as the general population with regard to the imposition of sales tax. It is the responsibility of the vendor, in this case the correctional facility, to collect and remit sales tax on all purchases by inmates.

Some correctional facilities may contract with a commissary to manage inmate accounts and purchases by inmates of items authorized by the correctional facility. There is nothing to differentiate inmate purchases from the commissary from purchases by non-inmate consumers of similar items at a retail outlet outside the correctional facility. In both situations, the purchasers are consumers and are required to pay sales tax on the amount of the purchase. In those transactions, it is the inmate, not the Correctional Facility or commissary that is the consumer. The correctional facility is merely the custodian of the inmate accounts and is required to pay the inmate’s bill.

As purchases by inmates are subject to sales tax, there must be a determination as to the most appropriate method for its collection. If the cost of the inmate’s order is to be deducted from the inmate’s fund balance, the Sales Tax should also be deducted from their account at that time. This treatment would be similar to how a non-inmate consumer purchases goods from a retailer. At that time, the vendor takes control of the Sales Tax that has been collected and remits it to the West Virginia Tax Division in a timely manner.

A vendor is not permitted to include the amount of the sales tax in the final cost of the good. Under W. Va. Code §11-15-4, “the purchaser shall pay to the vendor the amount of tax levied....” The respective inmate is the purchaser and the Correctional Facility or commissary is the vendor who must collect Sales Tax separately from the sale price of the good.

Municipal sales or use tax at a rate of 1% may also apply if the transaction is sourced to a municipality that imposes a municipal sales and use tax. For a list of municipalities that impose sales and use taxes, effective dates and rates, visit our website [tax.wv.gov](http://tax.wv.gov)

**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)