

PRIMARY LAST NAME SHOWN ON FORM IT-140	SOCIAL SECURITY NUMBER
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**INSTRUCTIONS**

Purchaser's Use Tax is a tax on the use of tangible personal property or services in West Virginia where Sales Tax has not been paid. Use Tax applies to the following: internet purchases, magazine subscriptions, mail-order purchases, out-of-state purchases, telephone purchases originating out-of-state, TV shopping networks, and other purchases of taxable items. For detailed instructions on the Schedule UT, see page 40.

**Part I State Use Tax Calculation**

1. Amount of purchases subject to West Virginia Use Tax.....	1	\$
2. West Virginia Use Tax Rate.....	2	.06
3. West Virginia State Use Tax (Multiply line 1 by rate on line 2. Enter amount here and on line 9 below).....	3	\$

**Part II Municipal Use Tax Calculation**

Municipal Code (enter from table below)	City/Town Name	Purchases Subject to Municipal Use Tax	Tax Rate (enter from table below)	Municipal Tax Due (Purchases multiplied by rate)
4a	4b	4c	4d	4e
		\$		\$
5a	5b	\$	5d	\$
6a	6b	\$	6d	\$
7a	7b	\$	7d	\$
8. Total Municipal Use Tax (add lines 4e through 7e and enter here and on line 10) →				\$

**Part III Total Amount Due**

9. Total State Use Tax due (from line 3).....	9	\$
10. Total Municipal Use Tax due (from line 8).....	10	\$
11. Total Use Tax Due (add lines 9 & 10 and enter total here and on line 24 of Form IT-140) →	11	\$

Residents of the following municipalities are subject to the municipal use tax. Enter applicable municipal code in line 4a through 7a and applicable rate in line 4d through 7d.

Municipality	Code	Rate	Municipality	Code	Rate
Beckley*	05332	.01	Moorefield*	55588	.005
Bolivar	08932	.01	Nitro	59068	.01
Bridgeport*	10180	.01	Parkersburg	62140	.01
Charleston	14600	.01	Pennsboro*	62764	.01
Charles Town	14610	.01	Quinwood	66412	.01
Clarksburg*	15628	.01	Ranson	66988	.01
Dunbar*	22564	.01	Romney*	70084	.01
Fairmont*	26452	.01	Rupert	70828	.01
Grafton*	32716	.01	South Charleston*	75292	.01
Harpers Ferry*	35284	.01	Thomas	80020	.01
Harrisville	35428	.01	Vienna	83500	.01
Huntington	39460	.01	Weirton*	85156	.01
Martinsburg	52060	.01	Wheeling	86452	.01
Milton	54484	.01	Williamstown	87556	.01

\* Municipal Use Tax for Beckley, Bridgeport, Clarksburg, Dunbar, Fairmont, Grafton, Harpers Ferry, Moorefield, Pennsboro, Romney, South Charleston, and Weirton is applicable only to purchases made on or after July 1, 2016.



# INSTRUCTIONS

You owe use tax on the total purchase price of taxable tangible personal property or taxable services (hereinafter called property) that you used, stored, or consumed in West Virginia upon which you have not previously paid West Virginia sales or use tax. The use tax applies to the following: Internet purchases, magazine subscriptions, mail-order purchases, out-of-state purchases, telephone purchases originating out-of-state, TV shopping networks and other purchases of taxable items. **Schedule UT must be filed with IT-140 if the taxpayer is reporting use tax due.**

Examples of reasons you may owe use tax:

1. You purchased property without paying sales tax from a seller outside of West Virginia. You would have paid sales tax if you purchased the property from a West Virginia seller.
2. You purchased property without paying sales tax for resale (to sell to others) or for a nontaxable use. You then used the property in a taxable manner.
3. You purchased property without paying sales tax and later gave the property away free to your customers.

**PART I. STATE USE TAX CALCULATION** (includes purchases or lease of tangible personal property or taxable service made using direct pay permit)

**Line 1** – Enter the total dollar amount of all purchases made during the 2016 tax year that are subject to the 6% use tax rate.

**Line 3** – Multiply the amount on line 1 by the use tax rate on line 2.

## PART II. MUNICIPAL USE TAX CALCULATION

You owe municipal use tax on the total purchase price of taxable tangible personal property or taxable services that you used, stored, or consumed in a municipality that has imposed sales and use tax upon which you have not previously paid sales or use tax.

For municipal tax paid in another municipality. West Virginia sales and use tax law provides a credit for sales or use taxes that are properly due and paid to another state or municipality on property or services purchased outside of the State or municipality in which you are located and subsequently stored, used or consumed inside the State or municipality. The credit is allowed against the total of West Virginia state and municipal use taxes imposed on the same property or services purchased in the other state or municipality.

Note: When the combined state and municipal taxes paid to the other state/municipality equals or exceeds the combined West Virginia state and municipal use tax, no entry is required on the West Virginia Purchaser's Use Tax Schedule (Schedule UT) to report the purchase or the credit for tax paid to the other state/municipality on the same purchase. Example: You purchase an item subject to tax in Ohio and pay 7% sales tax (6% state tax and 1% local tax). You live in an area in West Virginia that imposes a 1% municipal use tax with the State rate 6%, for a total 7%. You would not report the purchase on the schedule nor on your Personal Income Tax return since the combined rates are the same in Ohio and the city in West Virginia.

The following example includes a situation a person may encounter with respect to West Virginia state, and municipal sales and use taxes, if they purchase items outside West Virginia or from a different municipality and are required to pay sales or use taxes to the other state and/or municipality. The example provides information on how to use the amount of sales tax paid to the other state as a credit against West Virginia state and municipal use taxes imposed and how to compute and report the West Virginia state and municipal taxes due.

You bring equipment into West Virginia for use in a municipality which imposes municipal sales and use tax. You can determine the West Virginia state and municipal use tax as follows:

### USE TAX – STATE

1. Purchase price	\$10,000.00
2. 6.0% West Virginia State use tax (\$10,000 x .06)	600.00
3. Less 4.0% sales/use tax paid to State B (\$10,000 x .04)	(400.00)
4. Net use tax due to West Virginia	200.00
5. Measure of tax (\$200 ÷ .06 tax rate)	\$ 3,333.34

You should include the \$3,333.34 in Part I, line 1 of the West Virginia Purchaser's Use Tax Schedule.

### USE TAX – MUNICIPAL

1. Purchase price	\$10,000.00
2. 1.0% Municipality A sales/use tax (\$10,000 x .01)	100.00
3. Less .5% sales/use tax paid to Municipality B (\$10,000 x .005)	(50.00)
4. Net use tax due to municipality A	50.00
5. Measure of tax (\$50 ÷ .01 tax rate)	\$ 5,000.00

You should include the \$5,000 in Part II, line 4c-7c under appropriate municipality.

**Line 4a – 7a** – Enter the municipal code from the chart at the bottom of the schedule, page 39.

**Line 4b – 7b** – Enter the name of the municipality.

**Line 4c – 7c** – Enter total purchases subject to the use tax.

**Line 4d – 7d** – Enter the tax rate from the chart at the bottom of the schedule, page 39.

**Line 4e – 7e** – Multiply total purchases by the tax rate and enter total.

**Line 8** – Add lines 4e through 7e and enter total.

## PART III. TOTAL AMOUNT DUE

**Line 9** – Enter total State Use Tax due (from line 3).

**Line 10** – Enter total Municipal Use Tax due (from line 8).

**Line 11** – Enter total Use Tax due. Add lines 9 and 10 and enter total here and on line 24 of Form IT 140.

If you calculate an overpayment of your Personal Income Tax on Form IT-140, simply deduct the amount of Use Tax due from the amount of overpayment by following the instructions for Form IT-140. If your overpayment is reduced for any reason, the Use Tax will be billed separately from your Personal Income Tax account.