**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 10.

### 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

<table>
<thead>
<tr>
<th>City/Town Name*</th>
<th>Purchases Subject to Municipal Use Tax</th>
<th>Tax Rate</th>
<th>Municipal Tax Due (Purchases multiplied by rate)</th>
</tr>
</thead>
<tbody>
<tr>
<td>4a</td>
<td>4b $</td>
<td>4c</td>
<td>4d $</td>
</tr>
<tr>
<td>5a</td>
<td>5b $</td>
<td>5c</td>
<td>5d $</td>
</tr>
<tr>
<td>6a</td>
<td>6b $</td>
<td>6c</td>
<td>6d $</td>
</tr>
<tr>
<td>7a</td>
<td>7b $</td>
<td>7c</td>
<td>7d $</td>
</tr>
</tbody>
</table>

4. **Total Municipal Use Tax (add lines 4d through 7d and enter here and on line 10)**
   
   8. $ 

### 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 13 of Form IT-140)**
    
    11. $ 

*Visit www.tax.wv.gov for a complete list of West Virginia municipalities that impose a Use Tax.*
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 2020 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 taxes due, you may compute the West Virginia state use tax and subtract any amount paid to the other state as a credit against West Virginia state and municipal taxes due.

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**

| Line 1 | Purchase price | $10,000.00 |
| Line 2 | 6.0% West Virginia State use tax | $600.00 |
| Line 3 | Less 4.0% sales/use tax paid to State B | ($400.00) |
| Line 4 | Net use tax due to West Virginia | $200.00 |
| Line 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**

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

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

**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 13 of Form IT 140.