



# WESTVIRGINIA CONSUMERS SALES AND USETAX CERTIFICATE OF CAPITAL IMPROVEMENT

To be completed by contractor and given to, signed by and retained by subcontractor making capital improvement to a building, structure or real property.

The subcontractor must collect the consumers sales tax on the full amount charged under the contract unless the subcontract is for a capital improvement to a building, structure or real property or the subcontract is for work in fulfillment of the contractor's contract for a capital improvement to a building, structure or real property. When a properly completed Certificate of Capital Improvement has been furnished to the subcontractor, the burden of proving the job or transaction is not taxable rests solely upon the prime contractor.

This certificate may be issued to a subcontractor by his prime contractor as evidence that the work to be performed will result in capital improvement to a building, structure or real property. **THIS CERTIFICATE MAY NOT BE USED TO PURCHASE MATERIALS OR OTHER TANGIBLE PERSONAL PROPERTY TAX FREE.** Acceptance of this certificate by a subcontractor does not relieve the prime contractor of his liability for the payment of sales tax on his purchase of materials or other tangible personal property incorporated into the building, structure or real property as a capital improvement.

**Read this form completely before making any entries**  
**THIS CERTIFICATE IS NOT VALID UNLESS ALL ENTRIES ARE COMPLETED**

Name of prime contractor (print or type)			Name of subcontractor (print or type)		
Street address			Street address		
City	State	ZIP Code	City	State	ZIP Code
Business registration number (if any)			Business registration number (if any)		

To be completed by prime contractor:

The nature of the work to be provided by the subcontractor is as follows (give description of capital improvement to be performed):

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The project name and address or location where the work is to be performed:

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## GUIDELINES

A capital improvement to a building, structure or real property is defined as follows:

A capital improvement is an addition or alteration to a building, structure or real property which:

- (i) Adds utility to the building, structure or real property or any part thereof by substantially adding to the value of the building, structure or real property, or appreciably prolonging or extending the useful life of the property.  

and
- (ii) becomes part of the building or structure or real property or is permanently affixed thereto so that removal would cause material damage to the property or article itself,  

and
- (iii) is intended to become a permanent installation or to remain for an indefinite period of time.

### THE WORK MUST MEET ALL THREE OF THE ABOVE REQUIREMENTS

In distinguishing between a repair and a capital improvement, refer to Publication TSD-310, *Classification of Improvements and Repairs to Buildings, Structures or Real Property for Sales Tax Purposes*.

I am the prime contractor of the property identified on this form and I certify that work described on the front of this form will result in or be incorporated into a capital improvement to a building, structure, or real property (within the guidelines set forth above). If it is later determined on audit that this work does not qualify as a capital improvement, I understand that I will be responsible for any consumers sales or use tax, interest and penalty due on said work.

This contract includes the sale of tangible personal property which, when installed, retains its identity as tangible personal property and does not become a capital improvement to the building, structure or real property.

Yes       No

**UNDER PENALTIES OF PERJURY I DECLARE THAT I HAVE EXAMINED THIS DOUMENT AND TO THE BEST OF MY KNOWLEDGE AND BELIEF IT IS TRUE AND COMPLETE.**

Signature of contractor	Title	Date
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#### To Be Completed By Subcontractor

I, the subcontractor, certify that I have entered into a contract to perform the work described by the prime contractor above. (A copy of the written contract, if any, is attached.)

Signature of subcontractor or officer	Title	Date
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