



Changes Affecting Factory-Built Home Dealers

The purpose of this publication is to provide a brief description of the application of West Virginia consumers sales and service and use tax requirements on the sale and/or installation of factory-built homes.

Purchase Price of Factory-Built Homes

Effective January 1, 2004, individuals who purchase a factory-built home to be used as their principal year-round residence are required to pay consumers sales tax at the rate of 6% of **half the sales price** of the home. The factory-built home dealer should obtain a Certificate of Principal Use (WV/CST-281) from the purchaser certifying that the factory-built home will be used in this manner.

All other sales of factory-built homes will be subject to the 6% tax rate. Example: If a construction company purchases a factory-built home to be used as an office, the sales tax rate is six percent.

Factory-built home dealers must also collect the 6% sales tax from the customer for any labor and materials billed to the customer for the delivery, set up, hook up or installation of the factory-built home.

Site Preparation, Foundation Work and Major Utility Work Still “Contracting Activity”

Certain factory-built home installation activities remain classified as contracting. When the installation of the factory-built home includes activities, such as site preparation, construction of a permanent foundation and installation of electrical, water and sewage services, these activities will be considered contracting activities (and not incidental to the sale) separate from the sale and installation of the factory-built home. The person performing these contracting activities will not collect the sales tax from his customer on the charges made for these activities, but must pay the sales tax or use tax on any machinery, equipment, supplies and materials he purchases for use in providing the work.

Additional \$20 Fee Dedicated to the West Virginia Affordable Housing Trust Fund

Effective January 1, 2008, there shall be a \$20.00 fee, in addition to the consumers sales tax, that is to be collected by the dealer on the sale of a factory-built home. This fee, which will be deposited in the Affordable Housing Trust Fund, will be used to assist low to moderate-income individuals when they purchase a home.

The report period for this return is the same as the dealer’s report period for filing the consumers sales tax return. Form WV/FBH-100 will be used to remit the fee(s) collected and will be due on the 20th day of the following month. The first return is due February 20, 2008. Forms may be obtained by contacting the State Tax Department at the numbers below. The fee may be submitted through the State Tax Department’s, MyTaxes website at <https://mytaxes.wvtax.gov/>

West Virginia State Tax Department
Taxpayer Services Division
P. O. Box 3784
Charleston, West Virginia 25337-3784
Telephone: (304) 558-3333
Toll free : 1-800-WVA-TAXS (1-800-982-8297)
or visit our web site:
<http://www.wvtax.gov/>

TDD service for the hearing impaired: 1-800-2TAXTDD (1-800-282-9833)