

## West Virginia sales tax calculations on manufactured home sales

There are forms online to use. Although the total amount is 3%, the form and the regulation require a calculation of 6% on one half of the purchase price.

<http://tax.wv.gov/Documents/TaxForms/cst281.pdf>  
<http://tax.wv.gov/Documents/TaxForms/fbh100.pdf>

Certificate of principal use  
Factory-Built Homes Fee

The regulation says sales price to the consumer. Also note that there are some items identified in the publication that are not included in the sales price as construction activity with taxes imposed for machinery, supplies and materials used in the construction activity.

### **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.

Depending on how your facility operates, you might have a sales price to the customer (including factory price paid and your profit margin) in your sales agreement with separate line items for site preparation, delivery and installation. So you may pay 3% of the home price and 6% for materials used for installation service but pay no tax for the labor involved.

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