

# **WEST VIRGINIA LEGISLATURE**

## **2017 REGULAR SESSION**

**Introduced**

### **House Bill 2837**

BY DELEGATES HOWELL, FRICH, DEAN, HARSHBARGER,

HILL, MARTIN, CRISS, ROHRBACH AND FAST

[Introduced March 8, 2017;

Referred to the Committee on Finance.]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,  
 2 designated §8-1-5b, relating to the collection of municipal sales tax by vendors of goods  
 3 and services; providing that vendors delivering goods by common carrier may not be  
 4 required to collect tax and providing that vendors delivering goods or services directly to  
 5 a purchaser may only be required to collect tax if the vendor knows or has reason to know  
 6 that the delivery location is within a taxing municipality’s boundaries.

*Be it enacted by the Legislature of West Virginia:*

1 That the Code of West Virginia, 1931, as amended, be amended, by adding thereto a new  
 2 section, designated §8-1-5b, to read as follows:

**ARTICLE 1. PURPOSE AND SHORT TITLE; DEFINITIONS; GENERAL PROVISIONS;  
 CONSTRUCTION.**

**§8-1-5b. Limitation on collection of municipal sales tax by vendors.**

1 (a) A vendor may not be required to collect, and will not be liable for, municipal sales tax  
 2 on the sale and purchase of goods delivered to a purchaser by common carrier.

3 (b) A vendor delivering goods or services directly to a purchaser may be required to collect  
 4 municipal sales tax from the purchaser only if the vendor knows or has reason to know that the  
 5 location of the delivery is within the boundaries of a taxing municipality: *Provided*, That there is a  
 6 presumption that a vendor knows or has reason to know that a location is within the boundaries  
 7 of a taxing municipality if a sign clearly marking the municipality’s boundary appears on the  
 8 vendor’s route of travel to make a delivery.

9 (c) For the purposes of this section:

10 (1) “Common carrier” means a person or company other than the vendor that transports  
 11 goods on regular routes at set rates, including, but not limited to, the United States Postal Service,  
 12 the United Parcel Service and the FedEx Corporation.

13 (2) “Municipal sales tax” means a sales tax enacted by a municipality pursuant to

- 14 subdivision (14), subsection (i), section five-a of this article.
- 15 (3) "Vendor" means a person engaged in making sales of goods or services that are
- 16 subject to a municipal sales tax.

NOTE: The purpose of this bill is to exempt vendors delivering goods by common carrier from requirements to collect municipal sales tax and to provide that vendors delivering goods or services directly to a purchaser may only be required to collect tax if the vendor knows or has reason to know that the point of delivery is located within a taxing municipality's boundaries.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.