



STATE OF WEST VIRGINIA

Department of Revenue
State Tax Department

Earl Ray Tomblin
Governor

Mark W. Matkovich
Acting State Tax Commissioner

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Technical Assistance Advisory 2013-002

SUBJECT: CONSUMER SALES AND SERVICE TAX – USE TAX – It was determined in TAA 99-002 and TAA 2005-02 that certain entities related to a subsidiary in West Virginia would not have to collect and remit consumer sales and service tax and use tax. This TAA gives notice that on and after October 1, 2013, that determination is modified.

The Technical Assistance Advisories of 99-002 and 2005-02 were responses to a Parent requesting a ruling that neither Retailer nor Merchants are required to collect and remit use tax on sales of tangible personal property or services for use in West Virginia where a wholly owned subsidiary engages in business in this state. However, with this letter, the Tax Department modifies the determinations of those letters and finds that such retailers and merchants are required to collect and remit use tax on sales to West Virginia customers beginning on and after October 1, 2013 where a wholly owned subsidiary engages in business in this state in connection with the business of the retailer.

Determination: Retailer and Merchants are required to collect and remit use tax on sales to West Virginia customers beginning on and after October 1, 2013. Consistent with W.Va. Code §11-10-5r(c), this determination is prospective only.

Precedential Value - Under W. Va. Code § 11-10-5r(b), a technical assistance advisory has no precedential value except to the Taxpayer who requests the advisory, unless the Tax Commissioner specifically states that it has precedential value. This Technical Assistance Advisory is declared to have precedential value and may be cited by other Taxpayers, but shall be considered to be relevant only when the material facts and laws are essentially the same as in this advisory.

Publication - Under W. Va. Code § 11-10-5r(e), the Tax Commissioner is required to release technical assistance advisories to the public after they are modified to delete identifying characteristics, unless the Taxpayer waives its right to confidentiality. This Technical Assistance Advisory will be released as Technical Assistance Advisory 2013-001.

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Mark W. Matkovich
Acting State Tax Commissioner