

CST-286
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WEST VIRGINIA CONSUMER SALES AND SERVICE TAX AND USE TAX
SPECIAL CONTRACTORS EXEMPT PURCHASES CERTIFICATE
THIS CERTIFICATE CANNOT BE USED FOR PURCHASES OF GASOLINE OR SPECIAL FUEL



All sales of tangible personal property and services are presumed to be subject to tax unless a properly completed Special Contractors Exemption Certificate number is provided. Read instructions on the reverse side before completing this certificate.

NAME OF VENDOR	DATE	CHECK APPLICABLE BOX:	
		<input type="checkbox"/> SINGLE PURCHASE CERTIFICATE	<input type="checkbox"/> BLANKET CERTIFICATE
STREET ADDRESS	CITY	STATE	ZIP CODE

TO BE COMPLETED BY PURCHASER: I, the undersigned, hereby certify that I am making an exempt purchase and hold a valid Business Registration Certificate:

Enter Tax Identification Number

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The Principal for purposes of this certificate is the entity or company for which construction contracting services are being performed. The Principal's business activity is:

NAME OF PRINCIPAL	DIRECT PAY PERMIT NUMBER or QUALIFIED EXEMPT PSD UTILITY OR GOVERNMENT OWNED UTILITY IDENTIFICATION NUMBER
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If the Principal does not have a direct pay permit number, or is not a qualified exempt government owned or PSD utility, then the construction contractor or subcontractor may pay the tax to the vendor, and then seek a refund of the tax paid from the WV Tax Department by filing a properly completed and executed claim for refund on form WV/CST-240 and a properly completed and executed original of this Special Contractors Exempt Purchases Certificate for each vendor to which the tax was paid.

The 3 boxes in this section must be filled in by the purchaser, without regard to whether the purchaser is a prime contractor or a subcontractor, to show the prime contractor's name, job type, & job description or job number

PRIME CONTRACTOR	PRIME CONTRACTOR'S JOB TYPE
PRIME CONTRACTOR'S JOB DESCRIPTION OR JOB NUMBER	

Job type includes but is not limited to: plumbing, electrical, HVAC, site preparation, excavation, framing, comprehensive, etc.

I claim an exemption for the following reason(s) (Check applicable box or boxes):

- Purchase of building materials and process equipment directly used in construction by a contractor in the construction of a factory, structure or facility for a Principal that is entitled to the direct use exemption set forth in West Virginia Code §11-15-9(b)(2).

Businesses entitled to the direct use exemption set forth in W. Va. Code §11-15-9 b)(2) are businesses engaged in:	
1 Manufacturing	5 Production of natural resources
2 Transportation	6 Gas storage
3 Transmission of liquid, natural gas or electric power by pipes or wires	7 Generation or production or selling electric power
4 Communication	8 Provision of a public utility service, or
	(9) Operation of a utility service or the operation of a utility business.

- Purchase of tangible personal property that remains on site after construction is completed as part of the building or structure that is being built. This exemption does not apply to purchases of tools, bulldozers, cranes, etc. that become the property of the construction contractor.
- Rentals of cranes, bulldozers, and other equipment specifically for use on the specifically identified job by the contractor, or the hiring of a subcontractor or service provider to provide bulldozer services, crane services, etc.
- Purchases by a subcontractor who is working for a prime contractor, where the prime contractor is entitled to the exemption.

- Purchases of building materials and tangible personal property purchased by a contractor for construction of, and incorporation into, facilities for a government owned water or sewer utility or a Public Service District (PSD) water or sewer utility. This category includes only tax exempt government owned water and sewer utilities and Public Service District water and sewer utilities." No other utility qualifies under this classification. For these purchases, the tax identification number of the government owned water or sewer utility or a Public Service District (PSD) water or sewer utility should be inserted into the box labeled "DIRECT PAY PERMIT NUMBER or QUALIFIED EXEMPT GOVERNMENT OWNED UTILITY OR PSD UTILITY IDENTIFICATION NUMBER."
- Purchase of building materials and tangible personal property directly used by a contractor in a certified project for construction of a new or expanded warehouse or distribution facility under WV Code §11-15-9n.

I understand that this certificate may not be used to make tax free purchases of items or services which are not for an exempt purpose, and that I will pay the Consumer Sales or Use Tax on tangible personal property or services purchased pursuant to this certificate and subsequently used or consumed in a taxable manner. In addition, I understand that I will be liable for the tax due, plus substantial penalties and interest, for any erroneous or false use of this certificate.

NAME OF PURCHASER	STREET ADDRESS	
SIGNATURE OF OWNER, PARTNER, OFFICER OF CORPORATION, ETC.	CITY	
TITLE	STATE	ZIP CODE
Check one: <input type="checkbox"/> Prime contractor (If you checked prime contractor do not fill in the 2 boxes on the right.) <input type="checkbox"/> Subcontractor (If you checked subcontractor, fill in the 2 boxes on the right.)	SUBCONTRACTOR'S JOB TYPE	
	SUBCONTRACTOR'S JOB DESCRIPTION OR JOB NUMBER	

Job type includes but is not limited to. plumbing, electrical, HVAC, site preparation, excavation, framing, comprehensive, etc.

GENERAL INSTRUCTIONS

A Special Contractors Exempt Purchases Certificate may be used only to claim exemption from tax upon a purchase of tangible personal property or services that will be used for an exempt purpose.

This Special Contractors Exempt Purchases Certificate may be used only to claim exemption from consumers sales and service tax and use tax upon a purchase of tangible personal property or services that will be used by prime contractors or by subcontractors performing construction contracting work for businesses engaged in:

1 Manufacturing	5 Production of natural resources
2 Transportation	6 Gas storage
3 Transmission of liquid, natural gas or electric power by pipes or wires	7 Generation or production or selling electric power
4 Communication	8 Provision of a public utility service, or
	(9) Operation of a utility service or the operation of a utility business.

Additionally, the exemption may be claimed upon purchases of building materials and tangible personal property directly used by contractors or by subcontractors in a certified project for construction of a new or expanded warehouse or distribution facility

Each purchaser, without regard to whether the purchaser is a contractor or a subcontractor, must fill out this Special Contractors Exempt Purchases Certificate in order to make a tax exempt purchase of tangible personal property or services.

For purchases of tangible personal property, the exemption applies to purchases of tangible personal property that remains on site after construction is completed as part of the building or structure that is being built. It does not apply to purchases of tools, bulldozers, cranes, etc. that become the property of the construction contractor, which are removed by the contractor when construction is completed.

However, rentals of cranes, bulldozers, and other equipment specifically for use on the specifically identified job by the contractor, or subcontractor, or the hiring of a subcontractor to provide bulldozer services, crane services, etc., with an operator of the machine, would be exempt. Purchases by a subcontractor who is working for a prime contractor, where the prime contractor is entitled to claim the exemption described in this Special Contractors Exempt Purchases Certificate (under the authority of W. Va. Code § 11-15-8d), are also exempt in the same manner and with the same restrictions as are applicable to the prime contractor.

Purchases of building materials and tangible personal property purchased by a contractor for construction of, and incorporation into, facilities for a government owned water or sewer utility or a Public Service District (PSD) water or sewer utility are exempt. This exemption applies only to government owned municipal water and sewer utilities and Public Service District water and sewer utilities.

These government owned and PSD owned water and sewer utilities are not required to have a direct pay permit. For construction related purchases for these utilities, the Taxpayer identification number should be used on this form instead of the direct pay permit number.

A purchaser may file a blanket Special Contractors Exempt Purchases Certificate with the vendor to cover multiple purchases of property or services. However, each sales slip or purchase invoice evidencing a transaction covered by a blanket Special Contractors Exempt Purchases Certificate must show the purchaser's name, address and Business Registration Certificate Number.

INSTRUCTIONS FOR PURCHASER

To purchase tangible personal property or services exempt from Consumers Sales and Service Tax, you must possess a valid Business Registration Certificate and you must properly complete this Special Contractors Exempt Purchases Certificate and present it to your supplier. To be properly completed, all entries on this Special Contractors Exempt Purchases Certificate must be filled in and applicable boxes checked.

Your Business Registration Certificate (and any duplicates) may be suspended or revoked if you or someone acting on your behalf willfully issues this Special Contractors Exempt Purchases Certificate for the purpose of making a tax exempt purchase of tangible personal property and/or services that is not used in a tax exempt manner (as stated on the front of this form).

When property or services are purchased tax exempt with this Special Contractors Exempt Purchases Certificate, but later used or consumed in a non exempt manner, the purchaser must pay Sales or Use Tax on the purchase price to the West Virginia Tax Department.

The willful issuance of a false or fraudulent Special Contractors Exempt Purchases Certificate with the intent to evade Sales or Use Tax is a misdemeanor.

Your misuse of this Certificate with intent to evade the Sales or Use Tax shall also result in your being subject to a **penalty of fifty percent of the tax that would have been due had there not been a misuse of such certificate.**

This is in addition to any other penalty imposed by the Law.

In the event you make false or fraudulent use of this Special Contractors Exempt Purchases Certificate with intent to evade the tax, you may be assessed for the tax at any time subsequent to such use.

INSTRUCTIONS FOR VENDOR

At the time the property is sold or the service is rendered to a construction contractor or subcontractor, you must obtain from your customer this Special Contractors Exempt Purchases Certificate, properly completed, or the sale will be deemed a taxable sale. Your failure to collect tax on such taxable sale will make you personally liable for the tax, plus penalties and interest.

Additional information may be required to substantiate that the sale was for exempt purposes. In order for this Special Contractors Exempt Purchases Certificate to be properly completed, it must be issued by a purchaser who has a valid Business Registration Certificate and must have all entries completed by the purchaser.

A timely received Special Contractors Exempt Purchases Certificate which contains a material deficiency will be considered satisfactory if such deficiency is subsequently corrected.

You must keep this Special Contractors Exempt Purchases Certificate for at least three years after the due date of the last tax return to which it relates, or the date when such return was filed, if later.

You must maintain a reasonable method of associating a particular exempt sale to a customer with the Special Contractors Exempt Purchases Certificate you have on file for such customer. A purchaser may file a blanket Special Contractors Exempt Purchases Certificate with the vendor to cover additional purchases of property or services. However, each subsequent sales slip or purchase invoice evidencing a transaction covered by a blanket Special Contractors Exempt Purchases Certificate must show the purchaser's name, address and Business Registration Certificate Number.

INSTRUCTIONS FOR VENDOR AND PURCHASER

If you, as vendor or as a purchaser, engage in any business activity in West Virginia without possessing a valid Business Registration Certificate you may be subject to significant criminal and civil penalties.