



**SALES TAX RESPONSIBILITIES: OPERATORS OF NIGHT CLUBS,
BARS, RESTAURANTS AND SIMILAR BUSINESSES**

The purpose of this publication is to provide general information regarding the sales tax responsibilities of operators of night clubs, bars, restaurants, and similar businesses. It is not a substitute for tax laws or regulations.

SALES AND SERVICE

If you operate one of these businesses, or any combination thereof, and offer for sale prepared food and drinks (both alcoholic and non-alcoholic), live or other recognized forms of entertainment, or similar services in West Virginia, you are generally considered to be a vendor required to collect West Virginia sales tax on each of these sales or services. All such sales and services are presumed taxable as well as any cover charge, ticket charge or admission charge. You must collect sales tax regardless of whether you operate as an individual, a partnership, a corporation or any other entity.

REPORTING AND RECORDKEEPING

If any of the above charges include sales tax, that statement must be written on the face of the ticket. If sales of food or other retail sales include the sales tax, a sign of sufficient size to allow a person of normal vision to read it from a distance of twenty (20) feet must be posted in plain view stating that the West Virginia sales tax is included in the sales price.

As an operator or vendor, you are required to collect West Virginia sales tax as a trustee of the State. Whether you file monthly or quarterly tax returns, you must keep accurate records that contain all the information you need to prepare your returns and to verify their accuracy in case you are audited.

VENDING MACHINE SALES

Sales from vending machines, except those owned by a business subject to the control of the Public Service Commission and the United States Postal Service stamp vending machines, are subject to sales tax. The person who controls the machine i.e., the one who has the key, fills the machine, etc., is responsible for remitting the sales tax. Also, those persons who do business through money-operated machines are required to maintain accurate records of any commissions or percentages paid in connection with the operation of such machine.

PURCHASES

When engaged in business, as outlined elsewhere in this publication, you are considered to be a retailer, and thus, purchases used in the business are subject to sales and service tax except purchases for resale, for which an exemption certificate may be issued. Purchases for resale include food and non-alcoholic beverages, as well as items which are primarily intended to be transferred to the customer as part of the sale. (Example: paper bags, food containers, paper or plastic cups, straws, disposable napkins and plastic forks, knives and spoons). Reusable items such as cloth napkins, ceramic dinnerware and metal silverware are subject to tax. Purchases of alcoholic beverages for resale are subject to sales tax.

If you have questions concerning the information contained in this publication please contact:

Department of Tax and Revenue

Taxpayer Services Division

P.O. Box 3784

Charleston, WV 25337-3784

Telephone: (304) 558-3333 or

Toll free within West Virginia: 1-800-WVA-TAXS (1-800-982-8297)

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

To order forms or publications please call the automated information system at:

(304) 344-2068 or toll free within West Virginia 1-800-422-2075

To order by mail please use the above address.