

West Virginia to Impose Sales and Use Tax Collection Requirements on Remote Sellers

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The West Virginia State Tax Department has [announced](#) that, beginning January 1, 2019, remote sellers will be required to be registered to collect and remit state and municipal sales and use tax for sales made to customers located in West Virginia. A remote seller is an out-of-state seller with no physical presence or activities in West Virginia other than making taxable sales of tangible goods and services over the Internet, by telephone or mail order. A “small seller” exception will apply to the registration and collection and remittance requirements for sellers with no physical presence in West Virginia when the remote seller has annual sales of products and services into the state of (1) no more than \$100,000 and (2) has less than 200 separate transactions for goods and services delivered in West Virginia.

The Tax Department’s new requirements are in response to the recent United States Supreme Court decision *South Dakota v. Wayfair*, 585 U.S. ____ (2018). A prior alert discussing that decision can be found [here](#).

As noted in the prior alert, following the release of the *Wayfair* decision, Governor Jim Justice stated that “[w]hen I took office and our state was struggling financially at that desperate time, I might have considered supporting legislation to enforce West Virginia sales tax on out-of-state transactions. However, now I do not support adding additional taxes on our people in this manner. This is an issue for the Legislature, and legislation would have to be passed to authorize the state to enforce the collection of out-of-state sales taxes. With our state’s growing economy, I don’t want to reach into West Virginians’ pockets when we don’t need to.”

While no legislation was passed to address the *Wayfair* decision, the State of West Virginia is moving forward with imposing sales and use tax collection and remittance requirements on remote sellers.

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