



CITY OF
BECKLEY
WEST VIRGINIA

Welcome!

The City of Beckley would like to take this opportunity to welcome you! The city believes that all business is important not only to our city, but to the overall economy. I would like to make your first experience with the business and occupation tax department a positive one. I received a copy of your permit from the City of Beckley Code Enforcement Department, in an effort to provide you with the information you will need once you have completed the project.

I have enclosed a “welcome packet” with valuable information you will need as a contractor in the City of Beckley. At this time, the City of Beckley does not require contractors to apply for municipal license, but do require the filing of business and occupation tax. I have listed the forms below with a short description of how they are used and which forms need returned to me:

- ❖ **Sec. 13-200. – Business and Occupation Tax:** Discusses the business and occupation tax as stated in the City of Beckley’s Municipal Code. The complete code is available on the City of Beckley’s website at *Beckley.org*. The municipal code is under the “government” heading.
- ❖ **Business Registration Form:** This form is to register you with the City’s B&O tax department. Please complete the form and return to me in the provided envelope.
- ❖ **Business and Occupation Tax Form:** I have enclosed this blank form to familiarize you with the quarterly return form you will receive once registered with the city. This is our current form and may be used in case a form is not received. Please keep for your records.
- ❖ **Additional 1% Sales Tax:** Discusses “Home Rule” plan and the now 7% total tax collected within the city limits of Beckley.

The last page is an informational tool about the B&O tax. Please send a copy of your WV State Business License and a copy of your WV State Contractor’s License.

Again, I would like to welcome you to the City of Beckley. If you should need any assistance or have any questions, please feel free to contact me at the phone number or email address below. B&O tax office hours are Monday through Friday 8:30 to 4:30, except holidays.

Sincerely,

Heather A. Richmond

Heather A. Richmond
Business and Occupation Tax Clerk
(304) 256-1758
heather.richmond@beckley.org

Sec. 13-200. - Definitions.

For the purposes of this article, the following terms shall have the meanings respectively ascribed to them by this section:

Banking business or financial organization: Any bank, banking association, trust company, industrial loan company, small loan company or licensee, building and loan association, savings and loan association, credit union, finance company, investment company, investment broker or dealer, and any other similar business organization at least ninety (90) per cent of the assets of which consists of intangible personal property and at least ninety (90) per cent of the gross receipts of which consists of dividends, interest and other charges derived from the use of money or credit.

Business: All activities engaged in or caused to be engaged in with the object of gain or economic benefit, either direct or indirect. "Business" shall not include a casual sale by a person who is not engaged in the business of selling the type of property involved in such casual sale. "Business" shall include the production of natural resources or manufactured products which are used or consumed by the producer or manufacturer and shall include the activities of a banking business or financial organization.

Contracting: The furnishing of work, or both materials, and work, in the fulfillment of a contract for the construction, alteration, repair, decoration or improvement of a new or existing building or structure, or any part thereof, or for the alteration, improvement or development of real property.

Gross income: The gross receipts of the taxpayer, other than a banking or financial business, received as compensation for personal services and the gross receipts of the taxpayer derived from trade, business, commerce or sales and the value proceeding or accruing from the sale of tangible property (real or personal), or service, or both, and all receipts by reason of the investment of the capital of the business engaged in, including rentals, royalties, fees, reimbursed costs or expenses or other emoluments however designated and including all interest, carrying charges, fees or other like income, however denominated, derived by the taxpayer from repetitive carrying of accounts, in the regular course and conduct of such taxpayer's business, and extension of credit in connection with the sale of any tangible personal property or service, and without any deductions on account of the cost of property sold, the cost of materials used, labor costs, taxes, royalties paid in cash or in kind or otherwise, interest or discount paid or any other expense whatsoever. "Gross income" of a banking or financial business is specified in section 13-217. "Gross income" shall not be construed to include:

- (1) Cash discounts allowed and taken on sales;
- (2) The proceeds of sale of goods, wares or merchandise returned by customers when the sale price is refunded either in cash or by credit;
- (3) The amount allowed as "trade-in value" for any article accepted as part payment for any article sold;
- (4) Excise taxes imposed by this state; or
- (5) Money or other property received or held by a professional person for the sole use and benefit of a client of another person or money received by the taxpayer on behalf of a bank or other financial institution for the payment of a debt of another.

Gross proceeds of sales: The value, whether in money or other property, actually proceeding from the sale of tangible property without any deduction on account of the cost of property sold or expenses of any kind. "Gross proceeds of sales" shall not be construed to include:

- (1) Cash discounts allowed and taken on sales;
- (2) The proceeds of sale of goods, wares or merchandise returned by customers when the sale price is refunded either by cash or by credit;
- (3) The amount allowed as "trade-in value" for any article accepted as part payment for any article sole;
- (4) Excise taxes imposed by this state; or
- (5) Money or other property received or held by a professional person for the sole use and benefit of a client or another person or money received by the taxpayer on behalf of a bank or other financial institution for the repayment of a debt of another.

Sale, sales or selling: Any transfer of the ownership of, or title to, property, whether for money or in exchange for other property.

Selling at wholesale or wholesale sales: "Selling at wholesale" or "wholesale sales" shall mean and include:

- (1) Sales of any tangible personal property for the purpose of resale in the form of tangible personal property;
- (2) Sales of machinery, supplies or materials which are to be directly consumed or used by the purchaser in the conduct of any business or activity which is subject to the tax imposed by this article; and

- (3) Sales of any tangible personal property to the United States of America, its agencies and instrumentalities or to the state, its institutions or political subdivisions.

Service business or calling: All activities engaged in by a person for other persons for a consideration, which involve the rendering of a service as distinguished from the sale of tangible property, but shall not include the services rendered by an employee to such employee's employer. This term shall include but not be limited to:

- (1) Persons engaged in manufacturing, compounding or preparing for sale, profit, or commercial use, articles, substances or commodities which are owned by another or others;
- (2) Persons engaged as independent contractors in producing natural resource products which are owned by another or others, as personal property, immediately after the same are served, extracted, reduced to possession and produced;
- (3) The repetitive carrying of accounts, in the regular course and conduct of business, and extension of credit in connection with the sale of any tangible personal property or service, except as to persons taxed pursuant to the provisions of section 13-217.

Taxpayer: Any person liable for any tax under the provisions of this article.

Tax year or taxable year: The calendar year, or the taxpayer's fiscal year when permission is obtained from the recorder-treasurer to use such fiscal year as the tax period in lieu of the calendar year.

(Code 1971, § 23-1)

State Law reference— Similar provisions, W. Va. Code, § 11-13-1.

Sec. 13-212. - Business of contracting.

Upon every person engaging or continuing within this city in the business of contracting, the tax shall be equal to two (2) per cent of the gross income of the business. be equal to two

(Code 1971, § 23-13)

State Law reference— Similar provisions, W. Va. Code, § 11-13-2e.



CITY OF
BECKLEY
WEST VIRGINIA

Business Registration

Company Name: _____

DBA: _____

Federal Employer ID: _____

Contact Name: _____

Mailing Address: _____

City: _____ State: _____ Zip Code + 4: _____

Contact Phone Number: _____ Contact Fax Number: _____

Contact Mobile Number: _____ E-mail Address: _____

Do you have a physical location in Beckley: _____

Physical Address of business: _____

City: _____ State _____ Zip Code + 4: _____

Local Phone Number: _____

Date of WV Incorporation if applicable: _____

Date business began in Beckley: _____

Does this business own the property on which it is located: _____

If not, who is the owner? _____

Owner's address: _____

Owner's phone #: _____

Do you sell at? Manufacturing Wholesale Utility Rental Contracting

Retail Service Amusement Banking

Signature _____ Title _____ Date _____

CITY OF BECKLEY			QUARTER ENDING _____		
BUSINESS AND OCCUPATION TAX					
PO BOX 2514			ACCOUNT NUMBER		
BECKLEY, WV 25802-2514					
Business Name and Address			ORIGINAL FORM MUST BE USED FOR ALL RETURNS. ANY TAXES THAT ARE NOT ON ORIGINAL FORMS WILL BE RETURNED AND MAY RESULT IN PENALTIES		
FEDERAL ID NUMBER _____		KIND OF BUSINESS			
DATE BUSINESS BEGAN _____		DATE BUSINESS QUIT			
IF BUSINESS SOLD FURNISH NAME AND ADDRESS OF NEW OWNER					
INSERT CLASS CODE	TAXABLE AMOUNT		INSERT RATE	TAX DUE	
		1. GROSS AMOUNT OF TAX			
ADD PENALTY OF 5% FOR FIRST MONTH OR FRACTION THEREOF AND 1% FOR EACH SUCCEEDING MONTH OR FRACTION THEREOF OF DELINQUENCY		2. LESS EXEMPTION \$ 10.00 PER QUARTER			
		3. TOTAL TAX DUE (LINE 1 LESS LINE 2)			
		4. LESS B&O TAX CREDIT (ATTACH FORM BOTCR)			
		5. PENALTY			
		6. AMOUNT ENCLOSED			
CLASS CODES AND RATES					
CLASS CODE	BUSINESS CLASSIFICATIONS	RATE PER \$100	CLASS CODE	BUSINESS CLASSIFICATIONS	RATE PER \$100
110	COAL	1.00	119	ELECTRIC POWER COMPANIES (SALES & DEMAND CHARGES) DOMESTIC PURPOSES & COMMERCIAL LIGHTING	4.00
111	QUARRIED OR MINED OIL, BLAST FURNACE SLAG	3.00	120	WATER COMPANIES	4.00
112	NATURAL GAS	6.00	121	ELECTRIC POWER COMPANIES (ALL OTHER SALES & DEMAND CHARGES) NATURAL GAS	3.00
113	LIMESTONE OR SANDSTONE QUARRIED OR MINED OR TIMBER	1.50	122	ALL OTHER PUBLIC UTILITIES	2.00
114	OTHER NATURAL RESOURCES	2.00	123	CONTRACTING	2.00
115	MANUFACTURING	0.25	125	AMUSEMENT	0.35
116	RETAILERS	0.40	126	SERVICE	1.00
117	WHOLESALE	0.15	127	RENTS & ROYALTIES	1.00
118	SAVINGS & LOAN COMPANIES	1.00	128	BANKING	1.00
Date			Signature		

Additional 1% Sales Tax

In September 2015, the City of Beckley was accepted into the state's home rule pilot program. The Municipal Home Rule Board approved the City's proposal to reduce its business and occupation tax and impose a 1% sales and use tax. An ordinance was adopted by City Council on December 8, 2015 doing just that. The City's sales and use taxes are imposed beginning July 1, 2016 and will be collected by the State Tax Commissioner at the same time that the State sales and use taxes are collected. The business and occupation tax reduced rates will also take effect on July 1, 2016, and apply to gross income from business activity engaged in on or after July 1, 2016. We understand that businesses with computerized cash registers and electronic registers will need time to reprogram or make possible other adjustments to their Point of Sale systems. For many businesses, the only noticeable change is that they will, effective July 1, 2016, collect sales taxes at combined rate of 7% and will report Beckley sales taxes collected on a new line in Schedule B of the State's consumer sales and service tax return. Businesses that make deliveries to customers outside the City will need to become familiar with new sales sourcing rules provided in the State sales tax law.

Purchases of goods and services that are exempt from the State sales tax will also be exempt from the City's sales tax. Exempt items include groceries, prescription medications and any other goods and services upon which State sales tax is not collected by the vendor. Also, exempt from the City sales tax will be motor fuel and motor vehicles.

B&O Tax rates were reduced in three (3) classifications beginning July 1, 2016. These tax rate changes were approved by the West Virginia Municipal Home Rule Board and are permanent reductions in tax.

- (a) Manufacturing (Class Code 115) will change from .30% to .25%.
- (b) Retailing (Class Code 116) will change from .50% to .40%.
- (c) Amusement (Class Code 125) will change from .50% to .35%.

If you have any questions concerning the 1% Consumer Sales tax increase or the change(s) in the B&O tax rate structure, you may contact me at (304)256-1768 Monday through Friday between the hours of 8:30 am and 4:30 pm.