

CITY OF PARKERSBURG P.O. Box 1627 Parkersburg, WV 26102 / Phone (304) 424-8581

(QUARTERLY / ANNUAL) BUSINESS & OCCUPATION TAX RETURN

- THE TAXPAYER LISTED BELOW IS REQUIRED TO FILE (even if no income is received during this tax period) AND TO PAY BUSINESS & OCCUPATION (B&O) TAXES DUE. TAXES ARE DUE WITHIN (30) DAYS AFTER TAX PERIOD ENDS.
- BUSINESS CLASSIFICATIONS AND TAX RATES ARE LISTED ON THE BACK SIDE OF THIS FORM FOR YOUR INFORMATION.
- PENALTY: TO BE CALCULATED AT 5% FOR THE 1ST MONTH PAST DUE OR FRACTION THEREOF, AND AN ADDITIONAL 1% FOR EACH SUCCEEDING MONTH OR FRACTION THEREOF.
- COMPLETE (PART 1) OF THE B&O TAX RETURN FORM FOR YOUR RECORDS.
- COMPLETE (PART 2) OF THE B&O TAX RETURN FORM, SIGN AND RETURN WITH YOUR PAYMENT.
- IF REPORTING UNDER "CONTRACTOR" and/or "RENTAL" - COMPLETE FORM ON REVERSE SIDE OF (PART 2).

MESSAGE:

CITY OF PARKERSBURG BUSINESS & OCCUPATION TAX RETURN

P.O. Box 1627, Parkersburg WV 26102 / Phone (304) 424-8581

(_____ QTR _____ YEAR)

DATE BUSINESS BEGAN IN CITY: _____
 DATE BUSINESS QUIT IN CITY: _____
 IF BUSINESS SOLD, DATE OF SALE: _____
 FURNISH NAME & ADDRESS OF NEW OWNER:

CLASS CODE	BUSINESS CLASSIFICATION	TAXABLE AMOUNT	RATE PER \$100	TAX DUE

NET TAX DUE

PENALTY ADD PENALTY OF 5% FOR FIRST MONTH OR FRACTION THEREOF AND 1% FOR EACH SUCCEEDING MONTH OR FRACTION THEREOF.

PRIOR BALANCE PLUS/ (MINUS)

BALANCE DUE

(PART 1) ↑ COMPLETE AND RETAIN UPPER PORTION FOR YOUR RECORDS.

(PART 2) ↓ COMPLETE LOWER PORTION, SIGN AND RETURN WITH PAYMENT MADE PAYABLE TO "CITY OF PARKERSBURG".

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NET TAX DUE

PENALTY ADD PENALTY OF 5% FOR FIRST MONTH OR FRACTION THEREOF AND 1% FOR EACH SUCCEEDING MONTH OR FRACTION THEREOF.

PRIOR BALANCE PLUS/ (MINUS)

BALANCE DUE

AUTHORIZED SIGNATURE

DATE

CODE	BUSINESS CLASSIFICATIONS	RATE PER \$100
1	LIMESTONE OR SANDSTONE QUARRIED OR MINED	\$0.80
2 & 4	SAND, GRAVEL AND OTHER NATURAL RESOURCE PRODUCTS	\$1.60
3	TIMBER	\$1.20
6	RETAILERS & RESTAURANTS	\$0.28
7	WHOLESALE	\$0.15
*11	CONTRACTING BUSINESS * (List Specific Project/s in excess of \$5,000 Separately)	\$2.00
12	AMUSEMENT BUSINESS - HEALTH MAINTENANCE ORGANIZATION	\$0.50
13	SERVICE & ALL OTHER BUSINESS	\$0.90
**14	RENTALS/LEASE/ROYALTIES *LIST RENTAL PROPERTY IN CITY)	\$0.80
15 & 16	BANKING, SMALL LOAN & OTHER FINANCIAL BUSINESS	\$1.00

* IF REPORTING INCOME UNDER CODE 11 "**CONTRACTING BUSINESS**" IT IS NECESSARY FOR YOU TO **SEPARATELY LIST SPECIFIC PROJECT/S IN EXCESS OF \$5,000** (USE SEPARATE SHEET IF NECESSARY)

PROJECT NAME (ADDRESS OR JOB SITE)	Completion Date, if Complete	GROSS AMOUNT
1) _____	_____	\$ _____
2) _____	_____	\$ _____
3) _____	_____	\$ _____
4) TOTAL OF ALL OTHER GROSS CONTRACTING INCOME RECEIVED (FOR JOBS LESS THAN \$5,000 EACH)		\$ _____
TOTAL REVENUE THIS QUARTER FOR "CONTRACTING BUSINESS"		\$ _____
(CARRY TOTAL AMOUNT RECEIVED TO FRONT OF FORM UNDER "TAXABLE AMOUNT" COLUMN - CODE 11)		

** IF REPORTING INCOME UNDER CODE 14 "**RENTAL BUSINESS**" IT IS NECESSARY FOR YOU TO UPDATE AND LIST ALL RENTAL PROPERTY YOU OWN WITHIN THE CITY LIMITS OF PARKERSBURG (USE SEPARATE SHEET IF NECESSARY)

PROPERTY ADDRESS	# OF UNITS	(Circle One)	GROSS RENT COLLECTED
1) _____	(_____)	Commercial (or) Residential	\$ _____
2) _____	(_____)	Commercial (or) Residential	\$ _____
3) _____	(_____)	Commercial (or) Residential	\$ _____
4) _____	(_____)	Commercial (or) Residential	\$ _____

CONTRACTING BUSINESS AND OCCUPATION TAX REGULATIONS FOR THE CITY OF PARKERSBURG

The term "Contracting" shall include 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. The term "Contracting" shall also include the alteration improvement or development of real property.

A person performing any activity described in the preceding paragraph shall report this gross income therefrom under the contracting classification of the business and occupation tax return and shall receive no deduction from gross income on account of any expenses incurred. All income derived from said activity shall be reported under the contracting classification, and the form of contract entered into by the parties shall not be determinative of taxable classification.

(a) The term "prime contractor" means a person engaged in the business of performing for others, contracts for the constructing, repairing, decorating or improving of a new or existing building or buildings or other structures under, upon or about real property, either for the entire work or for a specific portion thereof.

(b) The word "subcontractor" means a person engaged in the business of performing a like or similar service for persons other than consumers, either for the entire work or for a specific portion thereof.

The terms "prime contractor" and subcontractor" include persons performing labor and services in respect to the moving of earth or clearing of land, razing or moving of existing buildings or structures even though such services may not be done in connection with a contract involving the construction, repairing, or altering of a new or existing building or structure.

(c) The term "buildings" or structures" means and includes, but is not limited to, everything artificially built up or composed of parts joined together in some definite manner and attached to real property. It includes not only buildings in the general and ordinary sense, but also tanks, fences, conduits, culverts, railroad tracks, overhead and underground transmission systems, tunnels, monuments, retaining walls, bridges, trestles, parking lots and pavement for foot or vehicular traffic.

(d) The term "contracting, repairing, decorating, or improving" of a new or existing building or structure or any part thereof, in addition to its ordinary meaning, includes the installing or attaching of any article of tangible personal property in or to real property, whether or not such personal property becomes a part of the realty by virtue of such installation.

The term "speculative builder" means and includes one who constructs improvements upon real property owned by him for the sale or rental. The gross income derived by the speculative builder from the sale of real property upon which the speculative builder has constructed improvements shall be reported under the retail classification on the business and occupation tax form. The sales price is the measure of the tax.

CONTRACTING

The business of contracting is taxable under the business and occupation tax law and the gross income derived therefrom must be reported under the contracting classification.

The rate of tax applied against gross income under the contracting classification is taxable at the rate of two percent (2%).

A. Prime and Subcontractors, Taxable on Gross Income with no deductions therefrom.

A prime contractor, one who furnished work or both materials and work under a written or oral 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 realty, must report his gross income under the contract classification without any deduction on account of any expenses incurred. If the prime contractor executes a contract with another for a portion of the job or project, the prime contractor receives no deduction from gross income on account of any payments made to the subcontractor. The subcontractor will also be taxable on his gross income under the contracting classification.

B. Contracts Entered into with Governments.

Gross income received by a person for contracting activities performed for the State of West Virginia, the federal government, or any of their instrumentalities, agencies, boards, commissions or political subdivisions, etc., is taxable and shall be reported under the contracting classification. The fact that the owner is a governmental unit does not relieve the contractor, subcontractor, suppliers, or any other person from liability for business and occupation tax on the full amount of gross income. Persons engaged in the contracting business shall report the entire gross income under the contracting classification, regardless of whether the contract is a turnkey contract, lump sum contract, per unit contract, cost plus fixed fee contract, or other contracts having a similar basis. Gross income received from a contracting activity must be reported under the contracting classification and the manner of performance, basis of determining cost, fee or income or form of contract shall not alter the definition of contractor or of contracting and shall not change the taxability of such income from the contracting classification to another classification. A contracting activity remains a contracting activity regardless of the manner in which the parties may make payment and perform the work.

The measure of the tax under the contracting classification is gross income and includes all items of cost where the contractor has incurred a liability. The cost of materials and labor can only be exempted from the measure of the tax in those cases where the contractor is not liable to vendors or workmen for payment. In those cases where the contractor contends that he has not incurred a business and occupation tax liability because he acted solely as agent for the owner, the burden of proving the alleged principal-agency relationship shall be upon the contractor. D. Separate Contracts for Labor and Materials.

In cases where the contractor enters into a separate contract for the furnishing of materials by the contractor and a separate contract for erection of such materials by the contractor, the gross income from both contracts is taxable under the contracting classification, unless it can be proved by the contractor that passage of title of the materials was not dependent upon the erection of the materials by the contractor and that the sale of such materials is in fact, a separate and distinct transaction, taxable under the business and occupation tax law, as a retail or wholesale sale, as the case may be. The contract to furnish materials shall not be considered a separate and distinct transaction from the contract to erect the same, unless it is established by the contractor to be a complete arm's length transaction with no dependency existing between the contractor for materials and the contract for erection. The burden of proving any alleged arm's length transaction shall be the contractor.

A separate purchase order for the furnishing of work or labor and a separate purchase order for the furnishing of materials which constitute the contract(s) between the parties shall be treated in the same manner as set forth in the preceding paragraph.

* The above information is taken from pages 34, 35, 77, 78 and 79 of the State of West Virginia Business and Occupation Tax Regulations as they govern all municipal B & O tax systems.

WEST VIRGINIA CODE 11-10-11

B. PREREQUISITE TO FINAL SETTLEMENT OF CONTRACTS WITH NONRESIDENT CONTRACTOR; USER PERSONALLY LIABLE,---

(I) Any person contracting with a nonresident contractor subject to the taxes imposed by articles thirteen, twenty-one and twenty-four (11-13-1 et seq., 11-21-1 et seq. and 11-24-1 et seq.) of this chapter, shall withhold payment in the final settlement of such contract, of such sufficient amount as will in such person's opinion be sufficient to cover such taxes, until the receipt of a certificate from the tax commissioner to the effect that the above referenced taxes imposed against the nonresident contractor have been paid or provided for.

(2) If any person shall fail to withhold as provided herein, such person shall be personally liable for the payment of all such taxes attributable to the contract, not to exceed six percent of the contract price. The same shall be recoverable by the tax commissioner by appropriate legal proceedings.

C. PREREQUISITE TO FINAL SETTLEMENT OF CONTRACT WITH THIS STATE OR POLITICAL SUBDIVISION; PENALTY

All state, county, district and municipal officers and agents making contracts on behalf of this State or any political subdivision thereof shall withhold payment, in the final settlement of any such contract, until the receipt of a certificate from the tax commissioner to the effect that the taxes imposed by articles thirteen, twenty-one and twenty-four of this chapter against the contractor have been paid or provided for. If the transaction embodied in such contract or subject matter of the contract is subject to county or municipal business and occupation tax, then such payment shall also be withheld until receipt of a release from such county or municipality to the effect that all county or municipal business and occupation taxes levied or accrued against the contractor have been paid. Any official violating this section shall be subject to a civil penalty of one thousand dollars, recoverable as a debt in a civil action brought by the tax commissioner.

****Should there be any questions regarding any of this information, please feel free to contact the City of Parkersburg Finance Office 304-424-8581.