

Sales/Use:

West Virginia: New Law Creates Exemption for Machinery & Equipment Rental Among Commonly Owned Entities

S.B. 34, signed by gov. 4/28/21. New law creates a West Virginia sales and use tax exemption for the rental or leasing of certain heavy equipment or machinery among some commonly owned companies, including among those companies with at least 50% qualifying common ownership. In doing so, the new law effectively expands upon similar existing exemptions for certain services performed by one corporation for an entity with at least 50% common ownership or control. Under the new law, leases of heavy equipment or machinery among corporations, partnerships, or limited liability companies generally are exempt from West Virginia sales and use tax when the entities are members of the same control group or are related taxpayers as defined in Internal Revenue Code section 267. Please contact us with any questions.

URL: https://www.wvlegislature.gov/bill_status/bills_history.cfm?INPUT=34&year=2021&sessiontype=RS

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