



STATE OF WEST VIRGINIA

Department of Revenue
State Tax Department

Earl Ray Tomblin
Governor

Mark W. Matkovich
State Tax Commissioner

March 9, 2015

TO ALL COUNTY ASSESSORS
STATE OF WEST VIRGINIA

Ladies and Gentlemen:

Enclosed for your use are the "*Vehicle, Motorboat and Farm Equipment Dealer's Inventory Worksheet*" and the "*Rental Car Inventory Worksheet*", which are to be filed by the vehicle dealer as a supplement to the *Commercial Business Property Return* (STC 12:32C). Instructions for completing the worksheets are contained on the reverse side of the forms.

Should you have questions concerning the above-referenced forms, please feel free to contact me at 304-558-3940.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Amburgey".

Jeff Amburgey
Director
Property Tax Division

JA/aj

Enclosures

VEHICLE, MOTORBOAT AND FARM EQUIPMENT DEALER'S INVENTORY WORKSHEET

Dealer's Name: _____

Address: _____

County: _____

I.	Gross Sales: Total Annual Vehicle, Motorboat and Farm Equipment Gross Sales for Calendar Year Beginning January 1, 2014 and Ending December 31, 2014. (Enter gross sales. Do not enter the value of the property.)		\$
II.	Less Excluded Sales of Specified Vehicles, Motorboats and Farm Equipment		
	A. Fleet Sales (Enter gross sales 1-1-14 to 12-31-14. Do not enter the value of the property.)	\$	
	B. Trucks Over 16,000 lbs. GVW (Enter gross sales 1-1-14 to 12-31-14. Do not enter the value of the property.)	\$	
	C. Transactions Between Dealers (Enter gross sales 1-1-14 to 12-31-14. Do not enter the value of the property.)	\$	
	D. Drop Shipments (Enter gross sales 1-1-14 to 12-31-14. Do not enter the value of the property.)	\$	
	E. Other Vehicles and Equipment Not Subject To Valuation Under West Virginia Code § 11-6C-1 et seq. (Enter gross sales 1-1-14 to 12-31-14. Do not enter the value of the property.) (See instructions.)	\$	
III.	Sub Total Excluded Vehicles and Equipment (A Through E)	Less (-)	\$
IV.	Annual Dealer's Inventory Subject To Valuation Under § 11-6C-1 et seq. (I Less III)		\$
V.	Divided by 12 or the Number of Months You Were in Business During Calendar Year 2014		+
VI.	Sub Total Dealer Inventory (Line IV divided by 12 or months in business)		\$
VII.	Add Other Inventory Subject to Valuation		
	A. Heavy Duty Trucks Over 16,000 lbs. GVW in Dealer's Possession as of July 1, 2015. (Enter the value of property in your possession on July 1, 2015, not sales.)	\$	
	B. Other Vehicles and Equipment in the Dealer's Possession as of July 1, 2015 Not Subject To Valuation Under West Virginia Code § 11-6C-1 et seq. (Enter the value of property in your possession on July 1, 2015, not sales.) (See instructions.)	\$	
	C. Dealer's Inventory of Parts and Supplies Held for Resale as of July 1, 2015. (Enter the value of property in your possession on July 1, 2015, not sales.)	\$	
	D. Dealer's Inventory of Parts and Supplies Held for Owner's Use as of July 1, 2015. (Enter the value of property in your possession on July 1, 2015, not sales.)	\$	
VIII.	Sub Total Other Inventory (A Through D)		\$
IX.	Total Dealer's Inventory (Vehicle, Motorboat and Farm Equipment Inventory Plus Other Inventory - VI and VIII)		\$

Note: A copy of the dealer's income statement for the year ending December 31, 2014 must be attached with the worksheet. Sole proprietors who do not have an income statement must submit a *Schedule C - Profit and Loss Statement* from your Federal Income Tax Return for 2014. Failure to attach the income statement may be grounds upon which the assessor may reject this return.

VEHICLE, MOTORBOAT AND FARM EQUIPMENT DEALER'S INVENTORY INSTRUCTIONS

West Virginia Code § 11-6C-1 et seq. establishes a special method of appraising vehicle, motorboat and farm equipment dealer inventory. This provides that in estimating the market value of such inventory the assessor shall use annual sales for the previous calendar year divided by 12 to determine the market value of the dealer inventory as of July 1. Vehicles are defined in West Virginia Code § 17B-1-1 and motorboats are defined in § 17A-6-1. This calculation also applies to house trailers and factory-built homes.

West Virginia Code § 11-6C-1 was amended in 2008 to include farm equipment dealers in this special method of valuing inventory. However, only farm equipment that is titled in the name of the retail purchaser and registered with the Division of Motor Vehicles upon its sale to the retail purchaser is subject to valuation under West Virginia Code § 11-6C-1 et seq. All other farm equipment inventory in the possession of the farm equipment dealer on the assessment day is subject to valuation and assessment under West Virginia Code §§ 11-3-1 et seq. and 11-5-1 et seq. "Farm equipment dealers" means a person, partnership, corporation, association or other form of business enterprise which primarily sells farm equipment as defined above.

Farm equipment includes, but is not limited to, the following equipment, and also includes attachments and repair parts for the following equipment: tractors; crawler tractors (other than bulldozers); walking tractors; cultivators; plows; harrows; power tillers; rotary tillers; spading machines; subsoilers; plastic mulch layers; planters and planting machines; seeders; mechanical transplanters; manure spreaders; fertilizer spreaders; insecticide and fertilizer sprayers; irrigation equipment; harvesters; fixed and portable belt and screw type conveyors exclusively used in agriculture; cotton pickers; hullers; swathers; windrowers; balers; bale movers exclusively used in agriculture; hay conditioners; hay mowers; mowing machines; mower/conditioners; hay rakes; hay tedders; feed grinders; grain carts; rock pickers; milking machines and milking machine components; animal trailers, to the extent that they constitute tangible personal property; apiary equipment.

Only those items of the above listed farm equipment that are titled in the name of the retail purchaser and registered with the Division of Motor Vehicles upon its sale to the retail purchaser is subject to valuation under West Virginia Code § 11-6C-1 et seq.

Farm equipment does not include: (1) property that is not tangible personal property, (2) building materials and equipment that is installed into a building or structure so as to be converted upon installation into a fixture or into real property, (3) cars, trucks, motorcycles and any other self-propelled machines designed primarily for the transportation of persons or property on a street or highway, (4) trailer or towed machines or apparatus designed primarily for the transportation of persons or property on a street or highway, (5) fork lifts, backhoes, earth movers, bulldozers, end loaders, power shovels, excavators or other equipment primarily designed to be used in earth moving, excavation or construction activity, or in the activity of warehouse materials handling, (6) airplanes and other aircraft, and (7) all terrain vehicles, motorcycles and other off road vehicles primarily designed for recreational use.

The following are general instructions to assist you in completing the Vehicle, Motorboat and Farm Equipment Dealer's Inventory Worksheet, which is to be filed with the *Commercial Business Property Return* (STC 12:32C).

Farm equipment dealers please pay particular attention to the definition of farm equipment. Sales of farm equipment titled in the name of the retail purchaser and registered with the Division of Motor Vehicles upon its sale to the retail purchaser should be included on the worksheet's gross sales calculation. The value of equipment not defined to be farm equipment and the value of farm equipment that is not titled in the name of the retail purchaser and registered with the Division of Motor Vehicles upon its sale to the retail purchaser should be entered on line VII(B).

Note: You do not have to complete Schedule B of the *Commercial Business Property Return* (STC 12:32C) if you complete the worksheet.

- I. Enter the gross sales or total annual sales. This is the amount received in money, credits, property, services, or other considerations, without deductions for interest expense, other expenses, and trade-ins, for the calendar year beginning January 1, 2014 and ending December 31, 2014. The gross sales are to include all sales of vehicles, motorboats and farm equipment including the sale of leased vehicles.
- II. Inventory that is excluded from the new valuation process are sales during the previous calendar year including:
 - A. Fleet Sales - A transaction involving (a) five (5) or more units sold to a single business entity and, (b) the buyer has a manufacturer's or distributor's fleet I.D. number.
 - B. Trucks - of 16,000 lbs. or more gross vehicular weight (GVW). These vehicles are appraised based on inventory on-hand July 1.
 - C. Transactions between dealers to include sales, trades between dealers or wholesalers licensed as new or used vehicle, motorboat or farm equipment dealers.
 - D. Drop Shipments - Commonly known as courtesy deliveries to include units which were not physically held as inventory by the dealer at any time during the preceding year.
 - E. Other Vehicles, i.e., snowmobiles and ATV's which may have been included in the gross sales are to be excluded and appraised based on the inventory on hand as of July 1. Note sales of farm equipment that is not titled in the name of the retail purchaser and registered with the Division of Motor Vehicles upon its sale to the retail purchaser should be entered on line E.
- III. Subtotal of excluded inventory of the previous year.
- IV. The "gross sales" or "total annual sales" of the previous years less the excluded inventory.
- V. If you were in business during the entire 2014 calendar year, divide Roman Numeral IV by 12. If not, divide by the total number of months you were in business during calendar year 2014.
- VI. The result is the total inventory subject to valuation under West Virginia Code § 11-6C-1 et seq.
- VII. The dealer is to list the other inventory subject to valuation and in their possession as of the July 1, 2015 assessment date.
- VIII. The total of inventory items "A" through "D".
- IX. The total inventory of the vehicle dealer to include vehicle, motorboat and farm inventory subject to valuation under West Virginia Code § 11-6C-1 (VI plus VIII).

Rental Car Inventory Worksheet

Company Name: _____

Mailing Address: _____

Physical Location: _____

County: _____

Calendar Year 2014	# of Vehicles	Gross Value
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		
Sub Total:		
Divided by 12 or the Number of Months included Above		
Add Other Inventory		
Total Rental Car Inventory		

RENTAL CAR INVENTORY WORKSHEET INSTRUCTIONS

The following are general instructions to assist you in completing the Rental Car Inventory Worksheet which is to be filed with the *Commercial Business Property Return* (STC 12:32C).

West Virginia Code § 11-6C-1 et seq. and established a special method of appraising inventory of rental car companies. This provides that the market value of rental car inventory shall be the gross value of all daily passenger car inventory made available by a daily passenger rental car business on the first day of each month of the immediately preceding calendar year: Provided, that the car rental business shall add together the gross values and divide that sum by 12. Gross value is defined to mean the lowest value for each vehicle as shown in a nationally accepted used car guide determined by the Tax Commissioner. For Tax Year 2016, the used car guides developed by the National Auto Dealer's Association (N.A.D.A) will be used. To calculate the gross value of any vehicle which does not appear in the N.A.D.A. publications, the Tax Commissioner shall determine a percentage to apply to the manufacturer's suggested retail price (M.S.R.P). For Tax Year 2016 that percentage will be 85%.

Note: You do not have to complete Schedule B of the *Commercial Business Property Return* (STC 12:32C) if you complete this worksheet. However, any vehicles owned by a rental car company which are not a part of daily passenger car inventory (employee vehicles, etc.) should be reported on Schedule H.

1. List the total gross value of rental car inventory as of the first day of each month of the previous year.
2. Add the monthly gross value totals.
3. If you were in business the entire 2014 calendar year, divide the total by 12, if not divide by the number of months you were in business during 2014 (be sure this corresponds to the number of months for which you have provided gross value amounts).
4. This is the total vehicle inventory amount subject to valuation under West Virginia Code § 11-6C-1.
5. List any other inventory subject to valuation and in your possession as of the July 1, 2015 assessment date.
6. Add the vehicle inventory total and the other inventory total.

Should you have additional questions, please contact your local assessor.