

Virginia Consumer's Use Tax Return for Individuals, Form CU-7

For Periods Beginning On and After July 1, 2013

What's New. Effective July 1, 2013, the retail sales and use tax rate increases by 0.3% statewide. In addition to the statewide increase, there is an additional 0.7% increase in localities included in the Northern Virginia and Hampton Roads regions. These changes apply to general retail sales only and do not impact the rate charged for sales of food for home consumption. Forms have been modified to reflect these changes.

General Information. Virginia Consumer's Use Tax is the "other half" of the Virginia Sales and Use Tax Act passed by the 1966 Virginia General Assembly. When you purchase goods, other than magazines or newspaper subscriptions, from a business that does not add the Virginia sales and use tax to your bill or you purchase goods tax-free while outside Virginia, you may be liable for the tax and required to file Form CU-7 to report and pay the tax.

Effective July 1, 2013 the total rates are 6% in the Northern Virginia and Hampton Roads Regions and 5.3% elsewhere throughout Virginia. The tax should be computed on what you paid for the item ("cost price"). "Cost price" does not include separately stated shipping or delivery charges but it does include a "shipping and handling" charge if listed as a combined item on the sales invoice.

Who Should File this Form. If purchases were from out-of-state mail order catalog(s) and exceed \$100, or the purchases were of any amount from sources other than mail order catalogs, then you must report these purchases and pay consumer's use tax on the **TOTAL** amount of *all untaxed* purchases from **all** sources made *during the calendar year*.

If you meet the above criteria, you must file an annual consumer's use tax return, Form CU-7. **This form is for use by individuals only.** Businesses, including partnerships and sole proprietorships, must report such purchases on Form ST-7 or Form ST-9, whichever is appropriate.

If the total amount of purchases was from out-of-state mail order catalog(s) **only**, and \$100 or less for the entire year, you do not have to pay the use tax.

Nonprescription drugs and proprietary medicines purchased for the cure, mitigation, treatment, or prevention of disease in human beings are exempt from consumer use tax.

Filing Alternative: You can report and pay this tax on Schedule ADJ with Form 760, or Schedule 760PY ADJ with Form 760PY.

When And Where To File. If filing based on the calendar year, file your return as soon as possible after January 1, but not later than May 1 of the subsequent calendar year. If you are filing on a basis other than a calendar year, you must file your return by the 15th day of the 4th month after the close of your taxable year.

Penalty and interest will apply if the return or payment is late. Pay the balance due as computed on Form CU-7 by the due date. Payment must be attached to the form when filed.

Make your check or money order payable to the Virginia Department of Taxation.

Mail Form CU-7 to the **Department of Taxation, P.O. Box 26627, Richmond, VA 23261-6627.**

Do NOT file Form CU-7 in the same envelope with your individual income tax return and do NOT file it with your local Commissioner of the Revenue, Director of Finance or Director of Tax Administration.

Where To Get Help. If you have any questions, use **Live Chat** at www.tax.virginia.gov, call **(804) 367-8037** or write to **Virginia Department of Taxation, P.O. Box 1115, Richmond, Virginia 23218-1115.**

Where To Get Forms. Forms can be downloaded from the website at www.tax.virginia.gov from the Department of Taxation, Forms Request Unit, **804-440-2541.**

Computing the Consumer's Use Tax

Use the work sheet on the back of this page to list purchases, compute the taxes, and keep a computational record. On the Form CU-7, below:

Line 1a. From Work Sheet Line D, enter the total COST PRICE for non-food purchases on which you were not charged sales tax.

Line 1b. From Work Sheet Line I, enter the total COST PRICE for food purchased for home consumption on which you were not charged sales tax.

Line 2a. From Work Sheet Line E, enter the TAX amount for non-food purchases.

Line 2b. From Work Sheet Line J, enter the TAX amount for food purchases.

Line 3. Total Tax: Add Lines 2a and 2b.

Line 4. Penalty: No penalty is due if this return is filed with payment by the due date. If a return is not filed or the tax is not paid by the due date, the penalty is 6% of the amount on line 3 for each month or fraction of a month that the payment is late. The minimum penalty is \$10. The maximum penalty is 30% of the amount on line 3.

Line 5. Interest: No interest is due if payment is made by the due date. If payment is made after the due date, interest is computed on the tax due on line 3 at the rate established in Section 6621 of the Internal Revenue Code, plus 2%. The correct interest rate can be accessed on the website at www.tax.virginia.gov. For additional assistance in obtaining the correct interest rate factor on which to calculate the interest, contact the **Virginia Department of Taxation at 804-367-8037.**

Line 6. Total Due: Add lines 3, 4 and 5 and enter the total. Attach your check or money order for this amount to Form CU-7 when filing. See "When And Where To File" for additional information.

Make check or money order payable to: **Virginia Department of Taxation**
Payments returned by the bank will be subject to a returned payment fee in addition to any other penalties that may be incurred.

Detach at dotted line below. Do not send entire page.

FORM CU-7
(Doc ID 107)

Virginia Consumer's Use Tax Return for Individuals
Department of Taxation, P.O. Box 26627, Richmond, VA 23261-6627
804-367-8037

Taxable Year: Beginning Date _____ Ending Date _____
Locality where you legally resided during the taxable year. City or County of: _____

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Your SSN	Your Last Name	First Name	MI
Spouse's SSN	Spouse's Last Name	First Name	MI
Address (Number and Street)			
City		State	ZIP

I declare that, to the best of my knowledge, this return (including any accompanying schedules and statements) is a true and complete return.

Signature _____ Date _____ Telephone Number _____

1a. Non-Food Goods Total Costs	_____
1b. Food Goods Total Costs	_____
2a. Non-Food Goods Tax	_____
2b. Food Goods Tax	_____
3. Total Tax Add lines 2a & 2b	_____
4. Penalty (See Instructions)	_____
5. Interest (See Instructions)	_____
6. Total Due (Add lines 3, 4 & 5)	_____

Work Sheet for Computing Virginia Consumer's Use Tax for Individuals (CU-7)

- **Keep this with your other important tax records.** Use a separate sheet, if needed.
- If your receipt shows a "handling" charge or "shipping and handling" charge **but does not separately state the amount for shipping**, include this charge in the cost price. If your receipt shows a separate shipping or delivery charge, do not include this charge in the cost price.
- The tax computed on what you paid for the item ("cost price"). Refer to Column (c) in the table below for rates effective July 1, 2013.

Consumer's Use Tax Rates Effective July 1, 2013			
	State Tax (a)	Local Tax (b)	Total State & Local Tax (c)
Non-Food Items: Northern Virginia	5%	1%	6%
Non-Food Items: Hampton Roads	5%	1%	6%
Non-Food Items: Elsewhere throughout Virginia	4.3%	1%	5.3%
Food for Home Consumption	1.5%	1%	2.5%

Northern Virginia Region		Hampton Roads Region		
Alexandria City	Loudoun County	Chesapeake City	Newport News City	Suffolk City
Arlington County	Manassas City	Franklin City	Norfolk City	Virginia Beach City
Fairfax City	Manassas Park City	Hampton City	Poquoson City	Williamsburg City
Fairfax County	Prince William County	Isle of Wight County	Portsmouth City	York County
Falls Church City		James City County	Southampton County	

Tax Year:	From _____,	_____ to _____,																									
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