

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

If you purchased more than \$100 in merchandise during the taxable year from out-of-state mail order companies, telephone or television shopping services, or while traveling outside the state and did not pay Virginia sales or use tax on these items, you may be required to file a Virginia Consumer's Use Tax Return For Individuals, Form CU-7.

## What is Virginia consumer's use tax?

The Virginia consumer's use tax is the "other half" of the Virginia Sales and Use Tax Act passed by the 1966 Virginia General Assembly. As a general rule, you owe this tax if you purchased merchandise and did not pay sales tax. Typically this happens when you purchase an item (for example, clothing, a camera or computer equipment) through the mail, by telephone or television shopping from a business that does not add the Virginia sales and use tax to your bill. You may also owe the tax if you purchased an item (for example, furniture or art) tax-free while you were outside Virginia. Sales or use tax does not apply to magazine or newspaper subscriptions.

The consumer's use tax is 4 ½% of 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 when this is listed as a single item on the bill.

## Effective for taxable years 1995 and after

If you purchased more than \$100 in goods during the taxable year (\$25 for taxable years before 1995) from businesses that did not charge you sales tax, you must pay the consumer's use tax on the total amount of these purchases. If your purchases of untaxed goods during the taxable year total \$100 or less (\$25 for taxable years before 1995), you are not required to pay the consumer's use tax. For example, if you have \$200 of untaxed purchases from out-of-state mail order companies during 1997, use tax of \$9 is due (\$200.00 × .045 = \$9.00).

## Who should file this form?

If you purchased more than \$100 in goods during the taxable year (\$25 for taxable years before 1995) from out-of-state mail order companies, telephone or television shopping networks or other businesses that did not charge you sales tax, 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.

## When and where to file

File your return as soon as possible after January 1, but not later than May 1.

Penalty and interest will apply if the return is filed after May 1. 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.

If the due date falls on a Saturday, Sunday or legal holiday, you may file your return on the next succeeding day that is not a Saturday, Sunday or legal holiday.

Pay the balance due as computed on Form CU-7 by the due date. Payment must be attached to this return when filed. Mail Form CU-7 to: Virginia Department of Taxation, P.O. Box 1103, Richmond, VA 23218-1103. **(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, Department of Tax Administration.)**

Make your check or money order payable to the Virginia Department of Taxation. Checks returned by the bank will be subject to a \$25.00 returned check fee, in addition to other penalties.

## Where to get help

If you have any questions, please call (804) 367-8037 or write the Department of Taxation, P.O. Box 1115, Richmond, Virginia 23218-1115. Assistance is also available from the district offices of the Virginia Department of Taxation (Bristol, Danville, Norfolk, Fairfax, Springfield, Newport News, Richmond, Roanoke and Harrisonburg).

## Where to get forms

Form CU-7 is available from the Department of Taxation, Forms Request Unit, by calling (804) 367-8055, (804) 367-8205 or 1-888-268-2829 (toll-free outside the Richmond area). Also, if you have a computer and have access to the World Wide Web, you can obtain most Virginia tax forms by connecting to <http://www.state.va.us/tax/tax.html>.

## Completing Form CU-7

A worksheet and line by line instructions for completing Form CU-7 are on the back of this page. Complete the worksheet, transfer the information to the form below, then see "When and where to file" above for filing information. Keep the worksheet for three years from the due date of the return.

**Alternative To Filing Form CU-7:** If you are due a refund on your individual income tax return, you may choose to report and pay the consumer's use tax using your income tax return instead of filing Form CU-7. See Form 760, Form 760S or Form 760PY. **If the consumer's use tax due is greater than your income tax refund, do not report the use tax on your income tax return. Instead, file Form CU-7 with full payment of the consumer's use tax.**

VA DEPT OF TAXATION  
2601600 (9/97)

Detach Form CU-7 here. Complete this form and mail it to the address shown on the form.

## FORM CU-7

## VIRGINIA CONSUMER'S USE TAX RETURN FOR INDIVIDUALS

FISCAL YEAR FILERS: Beginning date \_\_\_\_\_, 19\_\_\_\_ and ending date \_\_\_\_\_, 19\_\_\_\_ Taxable Year **19** \_\_\_\_

Read the instructions BEFORE completing Form CU-7.

For assistance call (804) 367-8037

City or  County of residence:

Your social security number	Your last name	First name	Middle initial	1. Total cost price (see instructions)		
Spouse's social security number	Spouse's last name	First name	Middle initial	2. Use tax (see instructions)		
Address (number and street)				3. Penalty (see instructions)		
City, state and ZIP Code				4. Interest (see instructions)		
I declare that to the best of my knowledge, this return (including any accompanying schedules and statements) is a true and complete return.				5. Total Due (Add lines 2, 3 and 4)		

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Phone (\_\_\_\_) \_\_\_\_\_

Mail your consumer's use tax return to:  
VIRGINIA DEPARTMENT OF TAXATION  
P.O. Box 1103, Richmond, VA 23218-1103

Do NOT mail your consumer's use tax return in the same envelope with your income tax return.

**MAKE CHECK OR MONEY ORDER PAYABLE TO THE VIRGINIA DEPARTMENT OF TAXATION AND ATTACH IT TO THIS RETURN.**

**INSTRUCTIONS FOR COMPLETING FORM CU-7  
VIRGINIA CONSUMER'S USE TAX RETURN FOR INDIVIDUALS**

**Taxable year, residence, name, address and social security number**

**Taxable year:** Enter the taxable year for which you are filing this return in the space provided in the top right corner of the return. The taxable year will be the same as the taxable year on your individual income tax return.

If you are filing on a basis other than a calendar year (fiscal year), then enter the beginning and ending fiscal month and year in the space provided at the top of the form.

**City or county of residence:** Enter the name of the city or county in Virginia where you legally reside(d) during the taxable year.

**Social security number(s)/Name(s):** Enter your social security number, last name, first name, and middle initial in the spaces provided. Enter your spouse's social security number, last name, first name and middle initial in the spaces provided if filing jointly.

**Address:** Enter your address in the spaces provided. Include the nine-digit ZIP Code if known.

**Computing the consumer's use tax**

**Line 1.** Enter the total paid for purchases on which you were not charged sales tax and are required to file. For example, if you purchased furniture by mail and were not charged sales tax, enter the cost of the furniture here. A worksheet is provided below to assist you in listing these purchases as well as to keep a record of your computations.

If your receipt shows a "handling" charge or "shipping and handling" charge **and does not separately state the amount for shipping**, include that amount in the total cost price. If your receipt shows a separate charge for shipping or delivery, do not include that amount in the total cost price.

**Line 2.** Multiply line 1 above by 4.5% (.045) and enter the result.

**Line 3. 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 2 for each month or fraction of a month that the return and/or payment are late. The minimum penalty is \$10. The maximum penalty is 30% of the amount on line 2.

**Line 4. Interest:** No interest is due if payment is received by the due date. If payment is made after the due date, interest is computed on the tax due on line 2 at the rate established in Section 6621 of the Internal Revenue Code, plus 2%. For 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 5. Total Due:** Add lines 2, 3 and 4 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" on front for additional information. **SIGN YOUR RETURN BEFORE FILING.**

Date Form CU-7 filed . . . . . \_\_\_\_\_

Paid with check or money order number . . . . . \_\_\_\_\_

**Worksheet for completing Virginia Consumer's Use Tax Return For Individuals. Keep this with your other important tax records.**

	Beginning	Ending			
Calendar Year _____			OR Fiscal Year _____	Residence: <input type="checkbox"/> City or	<input type="checkbox"/> County of _____
ITEM PURCHASED	COST PRICE				
A. _____	_____		1. TOTAL COST PRICE of all items purchased during the taxable year on which the consumer's use tax is due . . . . .	_____	_____
B. _____	_____		2. Consumer's Use tax [Multiply line 1 by 4.5% (.045)] . . . . .	_____	_____
C. _____	_____		3. Penalty . . . . .	_____	_____
D. _____	_____		4. Interest . . . . .	_____	_____
E. _____	_____		5. Total Due (add lines 2, 3 and 4) . . . . .	_____	_____
TOTAL COST PRICE (Enter here and on line 1) _____			<b>SIGN YOUR RETURN BEFORE FILING</b>		