

Registering with Virginia Tax

Information updated as of April 1, 2019, from <https://tax.virginia.gov/retail-sales-and-use-tax>

General Provisions

The Virginia Retail Sales and Use Act establishes a tax on the sale, lease, rental, or use or consumption of tangible personal property in Virginia, as well as taxable services in Virginia.

A seller is subject to the sales tax imposed on gross receipts from retail sales. "Retail sales" means sales made for any purpose other than for resale. The tax may also apply to the furnishing of transient accommodations and the lease or rental of personal property. ([Code of Virginia § 58.1-603](#)).

The seller is responsible for collecting the tax from the customer on each taxable sale. The tax must be separately stated and added to the sales price or charge.

Registering

Any individual, firm, organization or business that meets the definition of "dealer" as set forth in Virginia law must register with Virginia Tax. A dealer is generally defined as a person or business engaged in the business of selling at retail or distributing tangible personal property in Virginia. The definition also applies to dealers who rent, lease or furnish items that are subject to the tax in Virginia, or who store such items for use or consumption in Virginia.

- Virginia dealers (generally individuals and businesses making sales with one or more physical locations in Virginia) must register for Retail Sales Tax.
- Out-of-state dealers (generally individuals and businesses located outside of Virginia, but with sufficient connection, or [nexus](#), to Virginia) must register for Use Tax. Out-of-state dealers without sufficient nexus, can still choose to register to collect the tax as a courtesy to their Virginia customers.

How to register

You can register for retail sales and use taxes online or by mail.

- New businesses. [Register online](#) or by mail using the [Business Registration Application \(Form R-1\)](#).
- Existing businesses. If your business is already registered, [log in to your Business Account](#) and add the new tax type to your registration. If you don't have an online services account, [enroll now](#). Or, add the new tax type by mail using [Form R-1](#).

When you complete your registration, you'll receive your 15-digit sales tax account number and your Sales Tax Certificate of Registration (Form ST-4). Be sure to save both.

Sales Tax Certificates (Form ST-4)

Your certificate must be displayed prominently at your registered location.

If you need an additional or replacement copy, you can print one through your [Business Online Services Account](#). If you don't have an account, [enroll here](#).

You can also get a copy by calling Customer Services at [804.367.8037](#).

Filing Requirements

When to file

Based on your tax liability, we'll determine your filing frequency - either monthly or quarterly. Returns are due on the 20th of the month following the close of the filing period, even if there are no sales to report. Quarterly filing periods end March 31, June 30, Sept. 30 and Dec. 31.

We may change your filing frequency based on your tax liability. If we change your filing frequency, we'll send you a letter notifying you of the change prior to the effective date.

How to File and Pay

You are required to [file and pay your sales tax electronically](#), unless you have been granted a waiver.

- In-state dealers file their sales tax using Form ST-9.
- Out-of-state dealers file their use tax using Form ST-8.

If you are unable to file and pay electronically, you must submit an [electronic filing waiver request](#). Waivers are temporary and must be renewed annually.

Dealer Discount

A discount on the amount of sales tax due is allowed when eligible businesses file and pay the tax in a timely manner. Dealers can keep a portion of the tax they have collected; however, the discount is not allowed on the local portion of the tax. In addition to the retail sales and use tax, a dealer's discount is available for the following taxes:

- Vending Machine Tax
- Digital Media Fee
- Tobacco Products Tax

Direct Payment Permit

A Direct Payment Permit allows certain companies to purchase goods without paying the sales or use tax at the time of purchase. These companies agree to pay the tax due directly to Virginia Tax, and allocate the local tax so that no county or city will lose any revenue. Direct Payment Permits are typically issued to manufacturers, contractors, or mine operators that store tangible personal property within the commonwealth for use both in and outside of Virginia.

Businesses who meet the qualifications set forth in [Va. Code § 58.1-624](#) may apply to the Tax Commissioner for a permit. If approved, you will file Form ST-6.

Penalty and Interest

If you fail to file or pay the full amount of sales tax due by the due date, a penalty of 6% per month is added to the tax owed. The maximum penalty is 30%. The minimum penalty is \$10. The minimum penalty applies to late returns even if there is no tax owed.

Interest is added at the federal underpayment rate plus 2% and accrues on the tax until paid.