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

Who Should File this Form. ***This form is for use by individuals only.*** Businesses, including partnerships and sole proprietorships, must report such purchases on Form ST-1.

You are required to pay consumer's use tax on purchases, leases, and rentals of tangible personal property acquired in or outside Virginia for storage, use or consumption in Virginia if retail sales and use tax was not collected on the transaction. Examples include untaxed purchases made (1) over the Internet, (2) through out-of-state mail order catalogs, or (3) while traveling out-of-state.

You must pay consumer's use tax on the total amount of untaxed purchases made during the calendar year from all sources. The tax is based on the "cost price" of the goods and does not include separately stated shipping or delivery charges but it does include any "shipping and handling" charges if listed as a combined item on the sales invoice.

If you meet the criteria for consumer's use tax liability, you must file an annual consumer's use tax return, Form CU-7.

Filing Alternative: You can report and pay this tax on Individual Income Tax Return Form 760, Form 760PY or Form 763.

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

Consumer's Use Tax Rates: The retail sales and use tax rate in Virginia is 5.3%. However, some regions and localities have adopted additional taxes unique to their geographic area, which are added to the 5.3%. See the **Consumer's Use Tax Rates** on the back of this form for tax rates which vary by region or locality.

New State Exemption for Food and Essential Personal Hygiene Products Tax: Effective January 1, 2023, purchases of food for human consumption and essential personal hygiene products are exempt from state Retail Sales and Use Tax. Under prior law, these items were subject to a reduced 1.5 percent state sales tax rate and 1% local sales tax rate for a total rate of 2.5%. Under the new law, food purchased for human consumption and essential personal hygiene products remain subject to the 1% local Retail Sales and Use Tax. More information is available on the website **www.tax.virginia.gov**.

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 enclosed with 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.

Where To Get Help. Call **(804) 367-8031** or write to **Virginia Department of Taxation, P.O. Box 1115, Richmond, Virginia 23218-1115.**

Where To Get Forms. Download forms at **www.tax.virginia.gov** or order by phone from the Department of Taxation, **(804) 367-8031.**

Computing the Consumer's Use Tax

Use the worksheet 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 worksheet Line A, enter the total COST PRICE for non-food and non-personal hygiene product purchases on which you were not charged sales tax.

Line 1b. From worksheet Line C, enter the total COST PRICE for food goods and personal hygiene products purchased for home consumption on which you were not charged sales tax.

Line 2a. From worksheet Line B, enter the TAX amount for non-food goods and non-personal hygiene product purchases.

Line 2b. From worksheet Line D, enter the TAX amount for food goods and personal hygiene product purchases.

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

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) 367-8031.**

Line 6. **Total Due:** Add Lines 3, 4 and 5 and enter the total. Enclose your check or money order for this amount with 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) 367-8031

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 Code	

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 and Non-Personal Hygiene Products Total Cost**	
1b.	**Food Goods and Personal Hygiene products Total Costs**	
2a.	**Non-Food Goods and Non-Personal Hygiene Products Tax**	
2b.	**Food Goods and Personal Hygiene Products Tax**	
3.	**Total Tax** (Add lines 2a and 2b)	
4.	**Penalty** (See Instructions)	
5.	**Interest** (See Instructions)	
6.	**Total Due** (Add Lines 3, 4 & 5)	

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Worksheet 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 is computed on what you paid for the item ("cost price"). Refer to the Consumer's Use tax rates section below.

Consumer's Use Tax Rates

- The **general tax rate** for Virginia is **5.3%** (4.3% state tax and 1% local tax).
- **Central Virginia, Hampton Roads, and Northern Virginia regions:** There is an additional 0.7% state tax imposed in the localities that make up these regions making the tax rate **6%** (5% state tax and 1% local tax).
- **Historic Triangle region:** There is an additional 1.0% state tax imposed in the localities that make up Historic Triangle, making the rate in this area **7%** (6% state tax and 1% local tax).
- **Additional Local Option Tax:** The following localities have adopted an additional 1% local option sales and use tax: the City of Danville, Charlotte, Gloucester, Halifax, Henry, Northampton, and Patrick Counties, and effective July 1, 2023, (new locality added) Pittsylvania County. The total tax rate in these localities is **6.3%** (4.3% state tax, 1% local tax, and 1% additional local option tax).
- Purchases of eligible **food goods** are subject to a reduced rate of **1.0%** local tax.
- Purchases of eligible **personal hygiene products** are subject to a reduced rate of **1.0%** local tax.

Northern Virginia Region		Hampton Roads Region		Central Virginia Region		Historic Triangle Region
Alexandria City	Loudoun County	Chesapeake City	Poquoson City	Charles City County	Henrico County	James City County
Arlington County	Manassas City	Franklin City	Portsmouth City	Chesterfield County	New Kent County	Williamsburg City
Fairfax City	Manassas Park City	Hampton City	Southampton County	Goochland County	Powhatan County	York County
Fairfax County	Prince William County	Isle of Wight County	Suffolk City	Hanover County	Richmond City	
Falls Church City		James City County	Virginia Beach City			
		Newport News City	Williamsburg City			
		Norfolk City	York County			

Tax Year: From ______________, ________ to ______________, ________

	Non-Food Goods and Non-Personal Hygiene Products Purchased	Cost Price		
A.	Total Costs of Non-Food Goods and Non-Personal Hygiene Products Purchased			Enter on Line 1a, Form CU-7.
B.	Tax on Non-Food Goods and Non-Personal Hygiene Products Purchased. Multiply Line A by the applicable rate shown in the Consumer's Use tax rates section above.			Enter on Line 2a, Form CU-7.

	Food Goods and Personal Hygiene Products Purchased	Cost Price		
C.	Total Costs of Food Goods and Personal Hygiene Products Purchased			Enter on Line 1b, Form CU-7.
D.	Tax on Food Goods and Personal Hygiene Products Purchased (Line C times .01)			Enter on Line 2b, Form CU-7.