

## Electronic Filing and Payment Requirement

You are required to electronically file Form VM-2 and submit payment using the Department's online eForms option available at [www.tax.virginia.gov](http://www.tax.virginia.gov). Payments can be remitted by direct debit when filing the form or by an ACH credit transaction arranged through your financial institution.

eForms allows you to file your return at your convenience and schedule your direct debit payment for any date between the time you file online through the due date of the return.

Submit your return and payment as soon as possible after the close of the reporting period, but no later than the 20th day of the following month. A return must be filed for each monthly reporting period even if no tax is due.

Payments returned by the bank will be subject to a returned payment fee in addition to any other penalties that may be incurred.

If you are unable to meet the electronic filing requirements, you must request a temporary waiver. If you have been granted a waiver, mail your return and payment to **Virginia Department of Taxation, P.O. Box 26627, Richmond, VA 23261-6627**. Visit [www.tax.virginia.gov](http://www.tax.virginia.gov) for more information.

### Explanation of "Cost Price" and "Cost of Manufactured Tangible Personal Property"

If you acquire items for sale through vending machines and resell without further manufacturing or processing, you must compute the tax using the cost price. If you manufacture or process the items sold through vending machines, you must compute the tax using the manufactured/processed cost.

Manufactured/processed cost includes raw material cost plus labor and overhead attributable to the manufacture of the items being sold. The method of accounting used for federal income tax purposes is used to determine manufactured cost. For example, if first-in, first-out is used for federal income tax purposes, this accounting method is used each month in computing cost price and manufactured cost of goods. Proper records must be maintained each month to substantiate cost price and cost of goods manufactured.

### New Tax In Central Virginia Region

Effective October 1, 2020, there is an additional 0.7% sales and use tax in the Central Virginia Region, which includes the localities of Charles City County, Chesterfield County, Goochland County, Hanover County, Henrico County, New Kent County, Powhatan County, and the City of Richmond. The combined tax rate in these areas is 6% (5.0% state tax and 1% local tax). See Form VM-2A for more information.

Additional instructions are on the back of this sheet.

**Form VM-2V**  
(Doc ID 232)

**Virginia Vending Machine Dealer's Sales Tax Voucher**  
Department of Taxation, P.O. Box 26627, Richmond VA 23261-6627

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Filing Period (MM-YYYY)	Due Date
Account Number	
<b>16-</b>	
Name	
Address	
City, State, ZIP	

If you have been granted a waiver, enter the total amount due from Form VM-2 on the voucher, Form VM-2V, and enclose this voucher and your check with your return. Make your check payable to the Department of Taxation.

**Total Amount Due From Form VM-2. Line 12**

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## **Return and Payment Filing**

- Return and payment due on 20th of month following end of period.
- Make your check payable to the Department of Taxation.
- Payments returned by the bank are subject to a returned payment fee.
- To report a change to your business or mailing address, or if you discontinue business, use our online services at **[www.tax.virginia.gov](http://www.tax.virginia.gov)**.

## **Customer Services**

- For assistance call **(804) 367-8037** or write to: **Department of Taxation, P.O. Box 1115, Richmond, VA 23218-1115**.
- Forms and instructions are available for download from our website, **[www.tax.virginia.gov](http://www.tax.virginia.gov)**, or by calling **(804) 367-8037**.
- Visit our website to learn more about Virginia's Vending Machine Tax.
- Tenemos servicios disponible en Español.

**Form VM-2**

**Virginia Vending Machine Dealer's Sales Tax Return**

For Periods Beginning On and After October 1, 2020



Name	Account Number <b>16-</b>
Address	Filing Period (MM-YYYY)
City, State, ZIP	Due Date

**Mailing address:** Virginia Department Of Taxation  
PO Box 26627  
Richmond, VA 23261-6627

VENDING MACHINE SALES TAX	A - COST PRICE		B - AMOUNT DUE	
<b>1 Cost of Tangible Personal Property</b>	<b>1</b>			
<b>2 Allowable Deductions</b>	<b>2</b>			
<b>3 State - General Sales.</b> To compute taxable costs subtract Line 2 from Line 1 and enter in Column A. Multiply Column A by the rate of <b>5.3%</b> (.053) and enter the result in Column B.	<b>3</b>		<b>x .053 =</b>	
<b>4 Dealer Discount.</b> See VM-2A Worksheet.			<b>4</b>	
<b>5 Net State Sales Tax.</b> Line 3, Column B minus Line 4.			<b>5</b>	
<b>6 Additional State Sales Tax - Regional.</b> See VM-2A Worksheet and Form VM-2B.				
<b>6a Northern Virginia.</b> Enter taxable amounts of vending machine sales for this region in Column A. Multiply Column A by the rate of <b>0.7%</b> (.007) and enter the result in Column B.	<b>6a</b>		<b>x .007 =</b>	
<b>6b Hampton Roads.</b> Enter taxable amounts of vending machine sales for this region in Column A. Multiply Column A by the rate of <b>0.7%</b> (.007) and enter the result in Column B.	<b>6b</b>		<b>x .007 =</b>	
<b>6c Central Virginia.</b> Enter taxable amounts of vending machine sales for this region in Column A. Multiply Column A by the rate of <b>0.7%</b> (.007) and enter the result in Column B.	<b>6c</b>		<b>x .007 =</b>	
<b>7 Total State and Regional Tax.</b> Add Line 5; Line 6a, Column B; Line 6b, Column B; and Line 6c, Column B.			<b>7</b>	
<b>8 Local Tax.</b> Enter total local taxable amount in Column A. Multiply Column A by the rate of <b>1.0%</b> (.01) and enter the result in Column B. See VM-2A Worksheet and complete Form VM-2B to allocate the 1% tax if filing a consolidated return.	<b>8</b>		<b>x .01 =</b>	
<b>9 Total State, Regional and Local Tax.</b> Add Line 7 and Line 8, Column B.			<b>9</b>	
<b>10 Penalty.</b> See VM-2A Worksheet.			<b>10</b>	
<b>11 Interest.</b> See VM-2A Worksheet.			<b>11</b>	
<b>12 Total Amount Due.</b> Add Lines 9, 10 and 11.			<b>12</b>	

**Declaration and Signature.** I declare that this return (including accompanying schedules and statements) has been examined by me and, to the best of my knowledge and belief, is true, correct and complete.

Signature \_\_\_\_\_ Date \_\_\_\_\_ Phone Number \_\_\_\_\_

These forms should be used to compute and report the sales tax on tangible personal property sold through vending machines.

Forms VM-2 and VM-2V are used to report and pay the tax. Form VM-2B is used to allocate the local and regional sales amounts by locality and must be filed with Form VM-2. The VM-2A Worksheet, should be kept with your tax records.

Do not use these forms to report non-vending machine sales or use tax on non-taxed purchases. Non-vending machine sales (such as wholesale sales, over-the-counter sales, etc.) must be reported separately on the Form ST-9, Retail Sales and Use Tax Return along with use tax for the locality shown on the return. Use tax accrued in a locality for which you do not hold a sales tax registration must be reported on Form ST-7, Business Consumer's Use Tax Return.



# VM-2A

# Virginia Vending Machine Dealer's Sales Tax Return Worksheet

- Return and payment due on 20th of month following end of period.
- Transfer lines to the corresponding line number on Form VM-2, **Virginia Vending Machine Dealer's Sales Tax Return**.

Name	
Account Number <b>16-</b>	Filing Period (MM-YYYY)

**A-COST PRICE**

**B-AMOUNT DUE**

**VENDING MACHINE SALES TAX**

1 **Cost of Tangible Personal Property.** Enter the cost price and/or manufactured cost of tangible personal property sold through vending machines.....

1 \_\_\_\_\_

2 **Allowable Deductions.**

a Enter the cost price and/or manufactured cost of tangible personal property sold through vending machines during this period and returned by purchaser during this period, if included in Line 1.....

2a \_\_\_\_\_

b Enter the cost price and/or manufactured cost of tangible personal property sold through vending machines and returned during this period if tax was paid on these items in a prior period.....

2b \_\_\_\_\_

c Enter any Other Deductions.....

2c \_\_\_\_\_

d Subtotal. Add Lines 2a through 2c.....

2d \_\_\_\_\_

3 **State - General Sales and Use Tax.** To compute taxable costs subtract Line 2d from Line 1 and enter in Column A. Multiply Column A by the rate of **5.3%** (.053) and enter the result in Column B.....

3 \_\_\_\_\_ x .053 = \_\_\_\_\_

4 **Dealer Discount**

**Dealer discount is allowable only when your return and payment are made on time.** For more information, please see Tax Bulletin 10-5 at [www.tax.virginia.gov](http://www.tax.virginia.gov).

- If you file more than one return, use the total of taxable costs from all locations.
- If you file on a quarterly basis, divide the taxable costs for all locations by 3.

Total Monthly Taxable Sales From All Locations		Dealer Discount Factor
Is At Least	But Less Than	
\$0	\$62,501	.01208
\$62,501	\$208,001	.00906
\$208,001	And Up	.00604

Multiply Line 3, Column B by the applicable Dealer Discount Factor above.

4 \_\_\_\_\_

5 **Net State Sales Tax.** Line 3, Column B minus Line 4.....

5 \_\_\_\_\_

6 **Additional State Sales Tax - Regional Transportation.** If you have taxable costs in any locality in the Northern Virginia, Hampton Roads, or Central Virginia Regions, complete Lines 6a, 6b, and 6c. Report taxable amounts for each locality in these regions on Form VM-2B.

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

6a **Northern Virginia.** Enter taxable amounts for this region in Column A. Multiply Column A by the rate of **0.7%** (.007) and enter the result in Column B.....

6a \_\_\_\_\_ x .007 = \_\_\_\_\_

6b **Hampton Roads.** Enter taxable amounts for this region in Column A. Multiply Column A by the rate of **0.7%** (.007) and enter the result in Column B.....

6b \_\_\_\_\_ x .007 = \_\_\_\_\_

6c **Central Virginia.** Enter taxable amounts for this region in Column A. Multiply Column A by the rate of **0.7%** (.007) and enter the result in Column B.....

6c \_\_\_\_\_ x .007 = \_\_\_\_\_

7 **Total State and Regional Tax.** Add Line 5; Line 6a, Column B; Line 6b, Column B; and Line 6c, Column B.....

7 \_\_\_\_\_

**Do not mail this worksheet. Keep for your records.**

**A-COST PRICE**

**B-AMOUNT DUE**

8 **Local Tax.** Enter total local taxable amount in Column A. Multiply Column A by the rate of **1.0%** (.01) and enter the result in Column B. Complete Form VM-2B to allocate taxable amounts to localities. Note: The taxable amount you enter on this line should equal the amount on Line 3, Column A.....

8

x .01 =

9 **Total State, Regional and Local Tax.** Add Line 7 and Line 8, Column B.....

9

10 **Penalty.** Penalty is 6% of Line 9 for each month or part of a month the tax is not paid, not to exceed 30%. The minimum payment is \$10.00, even if tax due is \$0. ....

10

11 **Interest.** Interest is assessed on Line 9 at the rate established in Section 6621 of the Internal Revenue Code of 1954, as amended, plus 2%. For interest rates visit **www.tax.virginia.gov**.....

11

12 **Total Amount Due.** Add Lines 9, 10 and 11. ....

12

**Form VM-2B**

**Virginia Schedule of  
Vending Machine Sales by Locality**



- See list of Virginia counties and cities included in this form package.
- Total of Columns C, D and E must equal Lines 1, 2 and 3 on Form VM-2.

Name	Filing Period (MM-YYYY)	Account Number <b>16-</b>
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	A Locality Name	B Code	C Cost Price	D Deductions	E Taxable Amount	F Taxable Totals
<b>Northern Virginia</b>	Alexandria City	51510				
	Arlington County	51013				
	Fairfax City	51600				
	Fairfax County	51059				
	Falls Church City	51610				
	Loudoun County	51107				
	Manassas City	51683				
	Manassas Park City	51685				
	Prince William County	51153				
<b>Northern Virginia Taxable Amount.</b> Add amounts in Column E for region. Enter total on Form VM-2, Line 6a, Column A. ⇨						
<b>Hampton Roads</b>	Chesapeake City	51550				
	Franklin City	51620				
	Hampton City	51650				
	Isle of Wight County	51093				
	James City County	51095				
	Newport News City	51700				
	Norfolk City	51710				
	Poquoson City	51735				
	Portsmouth City	51740				
	Southampton County	51175				
	Suffolk City	51800				
	Virginia Beach City	51810				
	Williamsburg City	51830				
	York County	51199				
<b>Hampton Roads Taxable Amount.</b> Add amounts in Column E for region. Enter total on Form VM-2, Line 6b, Column A. ⇨						
<b>Central Virginia</b>	Charles City County	51036				
	Chesterfield County	51041				
	Goochland County	51075				
	Hanover County	51085				
	Henrico County	51087				
	New Kent County	51127				
	Powhatan County	51145				
	Richmond City	51760				
<b>Central Virginia Taxable Amount.</b> Add amounts in Column E for region. Enter total on Form VM-2, Line 6c, Column A. ⇨						
<b>Total Taxable Amount for Other Localities on Page 2.</b> Enter total from Page 2 of this schedule (if any). ⇨						
<b>GRAND TOTAL.</b> Add amounts in Column F for all localities. Enter result on Form VM-2, Line 8, Column A. ⇨						

Virginia Schedule of  
Vending Machine Sales by Locality



Name	Filing Period (MM-YYYY)	Account Number <b>16-</b>
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	A Locality Name	B Code	C Cost Price	D Deductions	E Taxable Amount	F Taxable Totals
<b>Other Localities</b>						
		<b>Page 2 Subtotal.</b> Add amounts in Column E for Other Localities on this page (2) and enter subtotal here. ➡				
	<b>Taxable Amount for Other Localities from Page 3.</b> Enter total from Page 3 of this schedule (if any). ➡					
	<b>Total Taxable Amount for Other Localities on Page 2.</b> Add amounts in Column F on this page. ➡					



Virginia Schedule of  
Vending Machine Sales by Locality



Name	Filing Period (MM-YYYY)	Account Number <b>16-</b>
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	A Locality Name	B Code	C Cost Price	D Deductions	E Taxable Amount	F Taxable Totals
Other Localities						
		<b>Page 3 Subtotal.</b> Add amounts in Column E for Other Localities on this page (3) and enter subtotal here. ➡				
	<b>Taxable Amount for Other Localities from Page 4.</b> Enter total from Page 4 of this schedule (if any). ➡					
	<b>Total Taxable Amount for Other Localities on Page 3.</b> Add amounts in Column F on this page. ➡					

Virginia Schedule of  
Vending Machine Sales by Locality



Name	Filing Period (MM-YYYY)	Account Number <b>16-</b>
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	A Locality Name	B Code	C Cost Price	D Deductions	E Taxable Amount	F Taxable Totals
<b>Other Localities</b>						
	<b>Page 4 Subtotal.</b> Add amounts in Column E for Other Localities on this page (4) and enter subtotal here. ➡					
	<b>Taxable Amount for Other Localities from Page 5.</b> Enter total from Page 5 of this schedule (if any). ➡					
	<b>Total Taxable Amount for Other Localities on Page 4.</b> Add amounts in Column F on this page. ➡					

Virginia Schedule of  
Vending Machine Sales by Locality



Name	Filing Period (MM-YYYY)	Account Number <b>16-</b>
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	A Locality Name	B Code	C Cost Price	D Deductions	E Taxable Amount	F Taxable Totals
Other Localities						
<b>Total Taxable Amount for Other Localities on Page 5.</b> Add amounts in Column E on this page. Enter here. ➡						

## List of Virginia Counties and Cities and Locality Code Numbers

\* Please note that four counties have the same name as a city - Fairfax, Franklin, Richmond and Roanoke.

### Counties

Accomack	51001	Franklin County*	51067	Nottoway	51135
Albemarle	51003	Frederick	51069	Orange	51137
Alleghany	51005	Giles	51071	Page	51139
Amelia	51007	Gloucester	51073	Patrick	51141
Amherst	51009	Goochland	51075	Pittsylvania	51143
Appomattox	51011	Grayson	51077	Powhatan	51145
Arlington	51013	Greene	51079	Prince Edward	51147
Augusta	51015	Greensville	51081	Prince George	51149
Bath	51017	Halifax	51083	Prince William	51153
Bedford	51019	Hanover	51085	Pulaski	51155
Bland	51021	Henrico	51087	Rappahannock	51157
Botetourt	51023	Henry	51089	Richmond County*	51159
Brunswick	51025	Highland	51091	Roanoke County*	51161
Buchanan	51027	Isle Of Wight	51093	Rockbridge	51163
Buckingham	51029	James City	51095	Rockingham	51165
Campbell	51031	King And Queen	51097	Russell	51167
Caroline	51033	King George	51099	Scott	51169
Carroll	51035	King William	51101	Shenandoah	51171
Charles City	51036	Lancaster	51103	Smyth	51173
Charlotte	51037	Lee	51105	Southampton	51175
Chesterfield	51041	Loudoun	51107	Spotsylvania	51177
Clarke	51043	Louisa	51109	Stafford	51179
Craig	51045	Lunenburg	51111	Surry	51181
Culpeper	51047	Madison	51113	Sussex	51183
Cumberland	51049	Mathews	51115	Tazewell	51185
Dickenson	51051	Mecklenburg	51117	Warren	51187
Dinwiddie	51053	Middlesex	51119	Washington	51191
Essex	51057	Montgomery	51121	Westmoreland	51193
Fairfax County*	51059	Nelson	51125	Wise	51195
Fauquier	51061	New Kent	51127	Wythe	51197
Floyd	51063	Northampton	51131	York	51199
Fluvanna	51065	Northumberland	51133		

### Cities

Alexandria	51510	Galax	51640	Poquoson	51735
Bristol	51520	Hampton	51650	Portsmouth	51740
Buena Vista	51530	Harrisonburg	51660	Radford	51750
Charlottesville	51540	Hopewell	51670	Richmond City*	51760
Chesapeake	51550	Lexington	51678	Roanoke City*	51770
Colonial Heights	51570	Lynchburg	51680	Salem	51775
Covington	51580	Manassas	51683	Staunton	51790
Danville	51590	Manassas Park	51685	Suffolk	51800
Emporia	51595	Martinsville	51690	Virginia Beach	51810
Fairfax City*	51600	Newport News	51700	Waynesboro	51820
Falls Church	51610	Norfolk	51710	Williamsburg	51830
Franklin City*	51620	Norton	51720	Winchester	51840
Fredericksburg	51630	Petersburg	51730		