

H. B. 2487

(By Delegates Ennis, Swartzmiller, Shaver,
Varner and Cann)

[Introduced January 14, 2011; referred to the
Committee on Pensions and Retirement then Finance.]

**FISCAL
NOTE**

A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section, designated §11-21-12j, relating to the personal income tax; specifying that income derived from federal military or federal police pensions that have been converted to federal civil service system pensions is treated as federal military or federal police pensions for purposes of the modifications to federal adjusted gross income set forth in article twenty-one, chapter eleven of the code.

Be it enacted by the Legislature of West Virginia:

That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new section, designated §11-21-12j, to read as follows:

ARTICLE 21. PERSONAL INCOME TAX.

§11-21-12j. Income derived from military or federal police pensions converted to federal civil service system pensions.

1 (a) For taxable years beginning after December 31, 2011,
2 retirement income originally available under a federal military or
3 federal police retirement system pension, but which pension has
4 been converted into a federal civil service system pension or
5 annuity pursuant to a lawful conversion thereof as allowed under
6 federal law, is treated as military retirement income or federal
7 police income, as applicable, for purposes of the modifications
8 authorized under this article for military and federal police
9 retirement benefits.

10 (b) For purposes of this section:

11 (1) The term "federal military retirement system pension
12 system" means any retirement pension system designed for payment of
13 any form of military retirement income, including retirement income
14 paid to regular Armed Forces, Reserves and National Guard, and
15 including any survivorship annuities derived therefrom.

16 (2) The term "federal police officer" means and includes any
17 individual who is required to carry a firearm in the day-to-day
18 performance of his or her duty and who is a police officer,
19 criminal investigator, special agent, uniformed police officer,
20 federal marshall, air marshall, postal inspector or customs
21 inspector of the following federal agencies or instrumentalities:
22 The Air Force Office of Special Investigations; Alcohol, Tobacco,
23 Firearms and Explosives; Border Patrol; Drug Enforcement
24 Administration; Customs and Border Protection; Immigration and

1 Customs Enforcement; Internal Revenue Service; Marshals Service,
2 Capitol Police; Department of Homeland Security; Pentagon Force
3 Protection Agency; Naval Criminal Investigative Service; Central
4 Intelligence Agency; Coast Guard; Defense Criminal Investigative
5 Services; Department of State; Drug Enforcement Administration;
6 Environmental Protection Agency; Federal Bureau of Investigation;
7 Federal Protective Service; Fish and Wildlife Service; Postal
8 Service; Transportation Security Administration; U.S. Mint; or
9 Department of the Treasury.

10 (3) The term "federal police retirement system pension" means
11 a pension paid to a federal police officer as defined in this
12 section.

NOTE: The purpose of this bill is to amend the West Virginia personal income tax to give retirement income derived from military pensions and from federal police pensions that have been converted into federal civil service pensions the same treatment that such income would have received if it had remained military retirement system income or federal police retirement system income.

§11-21-12j is new; therefore, it has been completely underscored.