

1 **H. B. 2745**

2
3 (By Delegates Walters, Raines and Frich)

4 [Introduced February 27, 2013; referred to the
5 Committee on Education then Finance.]

6 **FISCAL**
7 **NOTE**

8
9
10 A BILL to amend the Code of West Virginia, 1931, as amended, by
11 adding thereto a new section, designated §11-21-12j, relating
12 to exempting students attending state colleges or universities
13 in undergraduate programs and graduates of undergraduate
14 programs of state institutions of higher learning for the
15 first two tax years postgraduation from the payment of state
16 income tax; providing that students attending state
17 institutions and enrolled in undergraduate programs and
18 undergraduate graduates of state institutions for the first
19 two years after graduating shall pay seventy-five percent of
20 any state income tax that they otherwise would owe to the
21 particular institution or other corporate creditor from which
22 the student or graduate obtained student loans to attend the
23 state institution of higher learning.

24 *Be it enacted by the Legislature of West Virginia:*

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

4 **ARTICLE 21. PERSONAL INCOME TAX.**

5 **§11-21-12j. Exemption for students attending or graduated from**
6 **state institutions of higher learning.**

7 Any full-time student attending a state public institution of
8 higher learning in an accredited undergraduate program and for the
9 first two tax years following successful completion of an
10 undergraduate program, is exempt from the tax imposed by this
11 article. In order to qualify for this exemption, the taxpayer must
12 present proof to the Tax Commissioner that in the year of exemption
13 provided under this section, he or she paid a minimum sum equal to
14 or greater than seventy-five percent of the tax liability that
15 would have otherwise existed under this article in the subject tax
16 year to the institution or other qualified lending entity to which
17 the taxpayer has incurred a debt in the form of a student loan or
18 student loans. The Tax Commissioner shall propose legislative rules
19 for legislative approval in accordance with article three, chapter
20 twenty-nine-a of this code to implement this section.

NOTE: The purpose of this bill is to give current undergraduate students relief from paying state income taxes and graduates of undergraduate programs relief from state income taxes for a period of two years.

This section is new; therefore, it has been completely underscored.