

H. B. 2974

(By Delegate Walters)

[Introduced March 19, 2013; referred to the  
Committee on Finance.]

**FISCAL  
NOTE**

A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section, designated §11-13C-17; and to amend said code by adding thereto a new section, designated §11-24-9d, all relating to a tax deduction allowed for capital expenditures from the corporate net income tax.

*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 §11-13C-17; and that said code be amended by adding thereto a new section, designated §11-24-9d, all to read as follows:

**ARTICLE 13C. BUSINESS INVESTMENT AND JOBS EXPANSION TAX CREDIT.**

**§11-13C-17. Tax deduction for replacing any capital expenditures; definitions; no carryover.**

(a) Capital expenditures means funds used by a company to

1 acquire or upgrade physical assets such as property, industrial  
2 buildings or equipment including, but not limited to, repairing a  
3 roof, building a new factory or purchasing new computers.

4 (b) A tax deduction is allowed against the primary tax imposed  
5 by this code equal to the amount of money spent by a business or  
6 small business, as defined in this article, for all capital  
7 expenditures.

8 (c) A business or small business must apply the tax deduction  
9 to the tax year in which the capital expenditure was made.

10 **ARTICLE 24. CORPORATION NET INCOME TAX.**

11 **§11-24-9d. Tax deduction for replacing any capital expenditures;**  
12 **definitions; no carryover.**

13 (a) Capital expenditures means funds used by a company to  
14 acquire or upgrade physical assets such as property, industrial  
15 buildings or equipment including, but not limited to, repairing a  
16 roof, building a new factory or purchasing new computers.

17 (b) A deduction shall be allowed against the primary tax  
18 imposed by this article equal to the amount of money spent by a  
19 corporation for all capital expenditures.

20 (c) A corporation must apply the tax deduction to the tax year  
21 in which the capital expenditure was made.

NOTE: The purpose of this bill is to allow a deduction for

all capital expenditures from the corporate net income tax.

§11-13C-17 and §11-24-9d are new; therefore, they have been completely underscored.