

**Senate Bill No. 445**

(By Senators Prezioso, Facemire, Stollings, Plymale, McCabe and  
Beach)

[Introduced March 5, 2013; referred to the Committee on the  
Judiciary; and then 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 §11-10-5bb, relating  
to the collection of taxes; requiring the Lottery Commission  
to offset certain lottery prizes against the state tax  
liabilities of the prize winner; and authorizing an agreement  
between the Tax Department and the Lottery Commission for the  
purpose of establishing collection procedures.

*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 §11-10-5bb, to read as  
follows:

**ARTICLE 10. WEST VIRGINIA TAX PROCEDURE AND ADMINISTRATION ACT.**

**§11-10-5bb. Applying lottery prizes to tax liabilities.**

1           (a) *Offsetting lottery prizes against tax liabilities.* - Upon  
2 notification by the State Tax Department that a person who is  
3 entitled to all or part of a lottery prize is delinquent in the  
4 payment of any of the taxes administered under chapter eleven,  
5 article ten of this code, the Lottery Director shall forward to the  
6 State Tax Department the prize or portion thereof to be distributed  
7 directly from the state lottery office, and such amount shall be  
8 applied to pay the tax liabilities of the prize winner.

9           (b) *Administration.* - Notwithstanding any provision in this  
10 code to the contrary, the Tax Commissioner may disclose tax  
11 information to the Lottery Director for the purpose of  
12 administering the collection procedure authorized in subsection (a)  
13 of this section, and the Tax Commissioner and Lottery Director may  
14 enter into a written agreement allowing and providing for the  
15 disclosure of tax information for the purpose of administering the  
16 collection procedure authorized in subsection (a) of this section.

17           (c) *Effective date.* - The provisions of this section shall  
18 apply to all tax years beginning after December 31, 2013.

NOTE: The purpose of this bill is to enhance state revenues by allowing the State Tax Commissioner to divert and use lottery prizes to pay the unpaid tax liabilities of lottery prize winners.

This section is new; therefore, strike-throughs and underscoring have been omitted.

2013R2531S