

E N R O L L E D

H. B. 2516

(BY DELEGATE(S) MR. SPEAKER (MR. THOMPSON)
AND ARMSTEAD)

[BY REQUEST OF THE EXECUTIVE]

[Passed April 12, 2013; in effect from passage.]

AN ACT to amend and reenact §11-21-9 of the Code of West Virginia, 1931, as amended, relating to updating the meaning of federal adjusted gross income and certain other terms used in the West Virginia Personal Income Tax Act so the definitions conform with the Internal Revenue Code's definitions; and specifying effective dates.

Be it enacted by the Legislature of West Virginia:

That §11-21-9 of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

ARTICLE 21. PERSONAL INCOME TAX.**§11-21-9. Meaning of terms.**

1 (a) Any term used in this article has the same meaning as when
2 used in a comparable context in the laws of the United States
3 relating to income taxes, unless a different meaning is clearly
4 required. Any reference in this article to the laws of the United
5 States means the provisions of the Internal Revenue Code of
6 1986, as amended, and any other provisions of the laws of the
7 United States that relate to the determination of income for
8 federal income tax purposes. All amendments made to the laws
9 of the United States after January 1, 2012, but prior to January
10 3, 2013, shall be given effect in determining the taxes imposed
11 by this article to the same extent those changes are allowed for
12 federal income tax purposes, whether the changes are retroactive
13 or prospective, but no amendment to the laws of the United
14 States made on or after January 3, 2013, shall be given any
15 effect.

16 (b) Medical savings accounts. — The term “taxable trust” does
17 not include a medical savings account established pursuant to
18 section twenty, article fifteen, chapter thirty-three of this code or
19 section fifteen, article sixteen of said chapter. Employer contri-
20 butions to a medical savings account established pursuant to said
21 sections are not wages for purposes of withholding under section
22 seventy-one of this article.

23 (c) Surtax. — The term “surtax” means the twenty percent
24 additional tax imposed on taxable withdrawals from a medical
25 savings account under section twenty, article fifteen, chapter
26 thirty-three of this code and the twenty percent additional tax
27 imposed on taxable withdrawals from a medical savings account
28 under section fifteen, article sixteen of said chapter which are
29 collected by the Tax Commissioner as tax collected under this
30 article.

31 (d) Effective date. — The amendments to this section
32 enacted in the year 2013 are retroactive to the extent allowable
33 under federal income tax law. With respect to taxable years that
34 began prior to January 1, 2014, the law in effect for each of those
35 years shall be fully preserved as to that year, except as provided
36 in this section.

37 (e) For purposes of the refundable credit allowed to a low
38 income senior citizen for property tax paid on his or her home-
39 stead in this state, the term “laws of the United States” as used
40 in subsection (a) of this section means and includes the term
41 “low income” as defined in subsection (b), section twenty-one of
42 this article and as reflected in the poverty guidelines updated
43 periodically in the federal register by the U.S. Department of
44 Health and Human Services under the authority of 42 U.S.C.
45 §9902(2).

That Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman, House Committee

Chairman, Senate Committee

Originating in the House.

In effect from passage.

Clerk of the House of Delegates

Clerk of the Senate

Speaker of the House of Delegates

President of the Senate

The within _____ this the _____
day of _____, 2013.

Governor

