

H. B. 4613

(By Delegate Lane)

[Introduced February 17, 2014; referred to the
Committee on Small Business, Entrepreneurship and
Economic Development then Finance.]

**FISCAL
NOTE**

A BILL to amend the Code of West Virginia, 1931, as amended, by
adding thereto three new sections, designated §11-21-97,
§11-21-98 and §11-21-99; and to amend said code by adding
thereto a new section, designated §11-24-44, all relating to
creating the West Virginia Jobs Incentive Act; creating tax
refunds for taxes paid on increases of salary; and providing
credits for certain salary increases.

Be it enacted by the Legislature of West Virginia:

That the Code of West Virginia, 1931, as amended, be amended
by adding thereto two new sections, designated §11-21-97,
§11-21-98 and §11-21-99; and that said code be amended by adding
thereto a new section, designated §11-24-44, all to read as
follows:

ARTICLE 21. PERSONAL INCOME TAX.

§11-21-97. Refund of tax; tax on incremental increases in income.

1 Beginning with the tax year beginning after December 31, 2014,
2 all individuals paying income tax who have begun employment with
3 any employer in the State of West Virginia after January 1, 2014 is
4 entitled to the larger of:

5 (1) A refund in the amount equal to the amount of tax paid on
6 any amount of salary above that earned in the previous year for
7 which they were subject to income tax in the State of West
8 Virginia; or

9 (2) A refund of the full amount of tax paid on any amount of
10 salary earned in the current tax year, whichever is greater:
11 Provided That, for each individual paying income tax, this refund
12 expires after the individual paying income tax has claimed it in
13 each of three consecutive tax years.

14 **§11-21-98. Salary increase credit.**

15 Beginning with the tax year beginning after December 31, 2015,
16 any individual receiving income from a pass-through entity which
17 pays an increase in the salary of any of its employees over the
18 amount paid in the prior tax year, is entitled to a credit against
19 taxes owed equal to \$2500 per newly hired employee: *Provided, That*
20 this refund expires after the individual paying income tax has
21 claimed it in each of three consecutive tax years.

22 **§11-21-99. Short title.**

23 Sections ninety-seven and ninety-eight of this article, and
24 section forty-four, article twenty-four of this chapter, may be

1 known and cited as the "West Virginia Jobs Incentive Act."

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

3 **§11-24-44. Salary increase credit.**

4 Beginning with the tax year beginning after December 31, 2015,
5 any corporation which is an employer in the State of West Virginia
6 who pays an increase in the salary of any of its employees over the
7 amount paid in the prior tax year, is entitled to a credit equal to
8 the amount of income tax paid by that employee on the increased
9 salary: *Provided, That* this refund expires after the corporation
10 has claimed it in each of three consecutive tax years.

NOTE: The purpose of this bill is to create the West Virginia Jobs Incentive Act by providing tax refunds for taxes paid on increases of salary and tax credits for certain salary increases.

All sections in this bill are new; therefore, they have been completely underscored.