

WEST VIRGINIA LEGISLATURE
EIGHTY-FIRST LEGISLATURE
REGULAR SESSION, 2014



ENROLLED

COMMITTEE SUBSTITUTE

FOR

Senate Bill No. 416

(SENATORS PREZIOSO AND EDGELL, *ORIGINAL SPONSORS*)

[PASSED MARCH 4, 2014; IN EFFECT NINETY DAYS FROM PASSAGE.]

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Senate Bill No. 416

(SENATORS PREZIOSO AND EDGELL, *original sponsors*)

[Passed March 4, 2014; in effect ninety days from passage.]

AN ACT to amend and reenact §11-6K-4 and §11-6K-5 of the Code of West Virginia, 1931, as amended, all relating to tentative appraisals of natural resources property by the Tax Commissioner for ad valorem property tax purposes; clarifying that notice requirements apply to all oil and natural gas property in production and reserve; and clarifying that informal review procedures do not apply to oil or natural gas property in production and reserve.

Be it enacted by the Legislature of West Virginia:

That §11-6K-4 and §11-6K-5 of the Code of West Virginia, 1931, as amended, be amended and reenacted, all to read as follows:

**ARTICLE 6K. ASSESSMENT OF INDUSTRIAL
PROPERTY AND NATURAL
RESOURCES PROPERTY.**

§11-6K-4. Review of returns; procuring information for tentative appraisals; tentative appraisals by Tax Commissioner; notification to taxpayers.

1 (a) All returns delivered to the Tax Commissioner shall
2 be examined by him or her, and if found insufficient in form,
3 defective, imperfect or not in compliance with law, he or she
4 shall compel the person delivering the return to make it in
5 proper and sufficient form in all respects as required by law.

6 (b) If any owner, operator or producer fails to make a
7 required return, the Tax Commissioner shall proceed to
8 obtain the facts and information required to be furnished by
9 the returns.

10 (c) For the purposes of ascertaining the correctness of any
11 return filed pursuant to this article or of valuing the property
12 of any industrial taxpayer or natural resources property owner
13 or operator, the Tax Commissioner may exercise all of the
14 powers and authority granted to him or her by sections five-a,
15 five-b and five-c, article ten of this chapter.

16 (d) Using information provided on the returns and all
17 other pertinent evidence, information and data the Tax
18 Commissioner has been able to procure, the Tax
19 Commissioner shall annually value and make tentative
20 appraisals of all industrial property and natural resources
21 property as provided in section ten, article one-c of this
22 chapter.

23 (e) (1) On or before October 15 of the assessment year,
24 the Tax Commissioner shall complete the preparation of
25 tentative appraisals of all industrial property and natural
26 resources property and shall notify the affected owner or
27 operator of the amount of the tentative appraisals: *Provided,*
28 That in the case of oil property, natural gas property and
29 managed timberland, the Tax Commissioner shall complete
30 the preparation of tentative appraisals and notify the affected
31 owner or operator by December 1 of the assessment year,
32 and: *Provided, however,* That no notification shall be

33 required where the total increase in the aggregate amount of
34 the tentative appraisals to the affected owner or operator does
35 not exceed \$1,000 and the total tentative appraisals did not
36 increase by more than ten percent from the prior year's
37 appraisals. Notification may, at the reasonable discretion of
38 the Tax Commissioner, be:

39 (A) By written notice deposited in the United States mail,
40 addressed to the owner or operator at the principal office or
41 place of business of the owner or operator;

42 (B) By electronic notification; or

43 (C) By any other means designed to communicate the
44 tentative appraisal information to the owner or operator in a
45 timely and efficient manner and in a convenient useable form.

46 (2) Any notice required to be provided under this section
47 to an owner or operator shall also be provided by the Tax
48 Commissioner to the assessor of the county in which the
49 property is located. The Tax Commissioner shall retain in his
50 or her office true copies of tentative appraisals and of the
51 underlying work sheets used to compute the tentative
52 appraisals, all of which shall be available for inspection by
53 any owner or operator or his or her duly authorized
54 representative.

**§11-6K-5. Informal petition to Tax Commissioner for review of
tentative appraisals.**

1 (a) A taxpayer who is of the opinion that the tentative
2 appraisal of its industrial property or natural resources
3 property, except oil property, natural gas property and
4 managed timberland, does not reflect the true and actual
5 value of the property or is otherwise improperly valued may,
6 after receiving its tentative appraisal and on or before

7 November 15 of the assessment year, informally petition the
8 Tax Commissioner requesting a review of the tentative
9 appraisal. Likewise, an assessor who is of the opinion that
10 the tentative appraisal of any industrial property or natural
11 resources property, except oil property, natural gas property
12 and managed timberland, located in the county does not
13 reflect the true and actual value of the property or is
14 otherwise improperly valued may, after receiving the
15 tentative appraisal and on or before November 15 of the
16 assessment year, informally petition the Tax Commissioner
17 requesting a review of the tentative appraisal. The Tax
18 Commissioner may require the petition be made on a written
19 form prescribed by the Tax Commissioner. At the time a
20 petition is filed by a taxpayer with the Tax Commissioner, the
21 petitioner shall provide a copy of the petition to the assessor
22 of the county in which the property is located. At the time a
23 petition is filed by an assessor with the Tax Commissioner,
24 the petitioner shall provide a copy of the petition to the
25 taxpayer involved.

26 (b) At the petitioner's request, the Tax Commissioner or
27 his or her representative shall meet with the petitioner or the
28 petitioner's representative to discuss the petition at a time and
29 place designated at least five working days in advance by the
30 Tax Commissioner after the petition is filed. If the petitioner
31 is unable to appear and meet with the Tax Commissioner at
32 the time and place set by the Tax Commissioner, the
33 petitioner may submit written evidence to support the petition
34 if it is submitted before the date of the meeting.

35 (c) The Tax Commissioner shall consider and rule on
36 each informal petition filed under this section on or before
37 January 15 of the tax year. If the Tax Commissioner agrees
38 with the petition he or she shall modify the tentative appraisal
39 accordingly. The Tax Commissioner shall then notify the
40 petitioner and assessor of the county in which the property is

41 located in writing of his or her decision and shall include
42 supporting data that the assessor might need to evaluate the
43 appraisal.

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

.....
Chairman Senate Committee

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Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

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Clerk of the Senate

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Clerk of the House of Delegates

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President of the Senate

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Speaker of the House of Delegates

The within this
the Day of, 2014.

.....
Governor