

1 COMMITTEE SUBSTITUTE

2 FOR

3 **H. B. 2268**

4 (By Delegates Hamilton, A. Evans, Lynch, Wagner, J. Nelson,
5 Campbell, Hartman, Sponaugle, Canterbury, Williams and Ashley)

6 (Originating in the Committee on Finance)

7 [February 23, 2015]

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9
10 A BILL to amend and reenact §11-13A-3b of the Code of West Virginia, 1931, as amended, relating
11 to reducing and terminating the severance tax on timber.

12 *Be it enacted by the Legislature of West Virginia:*

13 That §11-13A-3b of the Code of West Virginia, 1931, as amended, be amended and
14 reenacted, to read as follows:

15 **ARTICLE 13A. SEVERANCE AND BUSINESS PRIVILEGE TAX ACT.**

16 **§11-13A-3b. Imposition of tax on privilege of severing timber.**

17 (a) *Imposition of tax.* -- For the privilege of engaging or continuing within this state in the
18 business of severing timber for sale, profit or commercial use, there is hereby levied and shall be
19 collected from every person exercising such privilege, an annual privilege tax.

20 (b) *Rate and measure of tax.* -- The tax imposed in subsection (a) of this section shall be three
21 and twenty-two hundredths percent of the gross value of the timber produced, as shown by the gross
22 proceeds derived from the sale thereof by the producer, except as otherwise provided in this article:
23 *Provided,* That as to timber produced after December 31, 2006 the rate of the tax imposed in
24 subsection (a) of this section shall be one and twenty-two hundredths percent of the gross value of

1 the timber produced, as shown by the gross proceeds derived from the sale thereof by the producer,
2 except as otherwise provided in this article, subject to the provisions of subsection (d) of this section.

3 (c) *Tax in addition to other taxes.* -- The tax imposed by this section shall apply to all persons
4 severing timber in this state and shall be in addition to all other taxes imposed by law.

5 (d) *Elimination of tax.* -- Beginning in the tax year 2010 and continuing until the imposition
6 of the additional tax on the privilege of severing timber imposed by subsection (c), section four,
7 article thirteen-v of this chapter expires under the authority of subsection (g), section four, article
8 thirteen-v of this chapter, the tax imposed by this section is discontinued. On and after expiration
9 of the additional tax on the privilege of severing timber imposed by subsection (c), section four,
10 article thirteen-v of this chapter, the tax imposed by this section resumes, and shall apply to all
11 persons severing timber in this state at the rate of one ~~and twenty-two hundredths~~ percent of the gross
12 value of the timber produced, as shown by the gross proceeds derived from the sale thereof by the
13 producer, except as otherwise provided in this article: Provided, That after the end of twelve months
14 following the month in which the tax imposed by this section resumes, the tax imposed by this
15 section shall terminate and expire.