

Senate Bill No. 268

(By Senators Cole (Mr. President) and Kessler,

By Request of the Executive)

[Introduced January 20, 2015; referred to the Committee on Transportation and Infrastructure;

and then to the Committee on Finance.]

**FISCAL
NOTE**

A BILL to amend and reenact §11-24-43a of the Code of West Virginia, 1931, as amended, relating to dedication of corporation net income tax proceeds to railways; and specifying that dedication of corporation net income tax proceeds to railways expires and is null and void on and after July 1, 2015.

Be it enacted by the Legislature of West Virginia:

That §11-24-43a of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

ARTICLE 24. CORPORATION NET INCOME TAX.

§11-24-43a. Dedication of tax proceeds to railways.

(a) Beginning January 1, 2008, there is dedicated an annual amount of up to \$4,300,000 from annual collections of the tax imposed by this article for the purpose of construction, reconstruction, maintenance and repair of railways, the construction of railway-related structures and payment of

1 principal and interest on state bonds issued for railway purposes, as approved by the West Virginia
2 Public Port Authority.

3 (b) For purposes of administering the deposits required by this subdivision, after December
4 31, 2007, from the taxes imposed by this section and paid to the Tax Commissioner in each quarter
5 of the year, after deducting the amount of any refunds lawfully paid and any administrative costs
6 authorized by this code, the Tax Commissioner shall pay into the Special Railroad and Intermodal
7 Enhancement Fund provided in section seven-a, article sixteen-b, chapter seventeen of this code an
8 amount equal to at least \$1,075,000. In any quarter where the collections are less than the amount
9 required to be paid into the Special Railroad and Intermodal Enhancement Fund, or where the total
10 amount paid in any year will be less than \$4,300,000, the difference shall be paid from amounts
11 available from collections in succeeding quarters until paid in full. Notwithstanding any provision
12 of this section to the contrary, the total amount to be deposited into the Special Railroad and
13 Intermodal Enhancement Fund for 2013 may not exceed \$2,150,000: Provided, That no deposits
14 shall be made into the Special Railroad and Intermodal Enhancement Fund during the fiscal year
15 2014.

16 (c) Notwithstanding any provision of this section to the contrary, all provisions of this section
17 relating to requiring the deposit of moneys into the Special Railroad and Intermodal Enhancement
18 Fund shall expire and be null and void on and after July 1, 2015.

NOTE: The purpose of this bill is to eliminate dedication of corporation net income tax revenues to and deposits of such revenues into the Special Railroad Intermodal Enhancement Fund on and after July 1, 2015.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.