

ENGROSSED

**Senate Bill No. 310**

(By Senators Sypolt, Williams  
and Nohe)

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[Introduced January 26, 2015;  
referred to the Committee on Finance.]  
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A BILL to amend and reenact §11-13-3 of the Code of West Virginia, 1931, as amended, relating to exempting nonprofit public utility companies from the West Virginia Business and Occupation Tax.

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

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

**ARTICLE 13. BUSINESS AND OCCUPATION TAX.**

**§11-13-3. Exemptions; annual exemption and periods thereof.**

1           (a) *Monthly exemption.* -- For any tax imposed under the provisions of this article with  
2 respect to any period beginning on or after July 1, 1985, there ~~shall be~~ is an exemption in every case  
3 of \$41.67 per month in amount of tax computed under the provisions of this article. Only one  
4 exemption ~~shall be~~ is allowed to any one person, whether the person exercises one or more privileges  
5 taxable hereunder.

6           (b) *Exemptions from tax.* -- The provisions of this article ~~shall~~ do not apply to:

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1 (1) Insurance companies which pay the State of West Virginia a tax upon premiums:  
2 *Provided*, That ~~said~~ the exemption ~~shall~~ does not extend to that part of the gross income of insurance  
3 companies which is received for the use of real property, other than property in which any company  
4 maintains its office or offices, in this state, whether the income ~~be~~ is in the form of rentals or  
5 royalties;

6 (2) Nonprofit cemetery companies organized and operated for the exclusive benefit of their  
7 members;

8 (3) Fraternal societies, organizations and associations organized and operated for the  
9 exclusive benefit of their members and not for profit: *Provided*, That the exemption ~~shall~~ does not  
10 extend to that part of the gross income arising from the sale of alcoholic liquor, food and related  
11 services of fraternal societies, organizations and associations which are licensed as private clubs  
12 under the provisions of article seven, chapter sixty of this code;

13 (4) Corporations, associations and societies organized and operated exclusively for religious  
14 or charitable purposes and production credit associations, organized under the provisions of the  
15 federal Farm Credit Act of 1933;

16 (5) Any credit union organized under the provisions of chapter thirty-one of this code or any  
17 other chapter of this code: *Provided*, That the exemptions of this section ~~shall~~ do not apply to  
18 corporations or cooperative associations organized under the provisions of article four, chapter  
19 nineteen of this code;

20 (6) Gross income derived from advertising service rendered in the business of radio and  
21 television broadcasting; ~~and~~

22 (7) Gross income of a nonprofit homeowners' association received from assessments on its

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1 members for community services such as road maintenance, common area maintenance, water  
2 service, sewage service and security service; and

3 (8) Nonprofit water and sewer companies governed by the Public Service Commission of  
4 West Virginia and organized and operated for the exclusive benefit of their members.