

WEST VIRGINIA LEGISLATURE

2016 REGULAR SESSION

Introduced

House Bill 4693

**FISCAL
NOTE**

BY DELEGATE BOGGS AND WESTFALL

[Introduced February 23, 2016; Referred
to the Committee on Finance.]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,
 2 designated §11-5-15, relating to establishing a recovery fee for the rental of heavy
 3 equipment property.

Be it enacted by the Legislature of West Virginia:

1 That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new
 2 section designated §11-5-15, to read as follows:

ARTICLE 5. ASSESSMENT OF PERSONAL PROPERTY.

§11-5-15. Heavy equipment property rental recovery fee.

1 (a) A person in the business of renting heavy equipment property located in this state shall
 2 include in the rental agreement or rental invoice a one and twenty-five one hundredths percent
 3 recovery fee on the rental charge from any item of heavy equipment property rental by a customer.
 4 The total amount of the recovery fee shall be retained by the business for the purposes of paying
 5 personal property taxes levied by all taxing jurisdictions against the heavy equipment property
 6 located in the state.

7 (b) For the purposes of this section:

8 (1) "Heavy equipment property" means property owned by a business classified under
 9 industry code "532412" or "532310" of the 2012 North American Industry Classification System as
 10 published by the Bureau of the Census; and

11 (2) "Rental charge" means the charge of the rental. It does not include any other line item
 12 costs such as pickup and delivery, fuel, or damage waiver.

13 (c) The recovery fee is not subject to state or local sales tax.

14 (d) Annually, on or before March 15, each rental business that collects the equipment
 15 rental surcharge is required to submit to the county consolidated report showing the total personal
 16 property taxes paid in the state during the previous calendar year and the total surcharge
 17 collections. If the total surcharge collections exceed the taxes paid, that excess is remitted back

18 to the county.

19 (e) The Tax Commissioner shall propose rules for legislative approval in accordance with
20 the provisions of article three, chapter twenty-nine-a of this code, as needed, to provide for
21 administration of this fee.

NOTE: The purpose of this bill is to create a recovery fee for the rental of heavy equipment property.

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