

# WEST VIRGINIA LEGISLATURE

## 2017 REGULAR SESSION

Introduced

### Senate Bill 452

FISCAL  
NOTE

BY SENATORS MILLER, FACEMIRE, JEFFRIES, OJEDA,  
PALUMBO, PLYMALE, PREZIOSO, ROMANO, STOLLINGS,  
UNGER, WOELFEL AND TAKUBO

[Introduced February 27, 2017; Referred  
to the Select Committee on Tax Reform; and then 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 §11-21-97, relating to creating the West Virginia Earned Income Tax Credit;  
 3 setting the amount of the tax credit; stating certain requirements for eligibility for the tax  
 4 credit; making the tax credit refundable; allowing a taxpayer claiming the tax credit to also  
 5 apply for the low-income family tax credit; and authorizing rulemaking.

*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 §11-21-97, to read as follows:

**ARTICLE 21. PERSONAL INCOME TAX.**

**§11-21-97. West Virginia Earned Income Tax Credit.**

1 The Legislature of the State of West Virginia hereby enacts:

2 (1) For tax years that begin after December 31, 2016, a taxpayer may credit against the  
 3 personal income tax imposed by this article an amount equal to ten percent of the credit the  
 4 taxpayer is allowed to claim as a credit under Section 32 of the Internal Revenue Code for a tax  
 5 year on their state tax return filed under this article for the same tax year.

6 (2) If the credit allowed by this section exceeds the state income tax liability of the taxpayer  
 7 for the tax year, the State Tax Department shall refund the excess to the taxpayer without interest.

8 (3) Any taxpayer who qualifies for the tax credit permitted in this section and the “low-  
 9 income family tax credit” as defined in section twenty-two of this article may apply for both credits.

10 (4) The Tax Commissioner shall propose rules for legislative approval in accordance with  
 11 article three, chapter twenty-nine-a of this code to implement this section.

NOTE: The purpose of this bill is to create a West Virginia Earned Income Tax Credit at ten percent of the federal credit. The bill states certain requirements for eligibility for the tax credit. The bill makes the tax credit refundable. The bill allows a taxpayer claiming the tax credit to also apply for the low-income family tax credit. The bill authorizes rule-making.

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