

# WEST VIRGINIA LEGISLATURE

## 2021 REGULAR SESSION

**Introduced**

### **House Bill 2101**

**FISCAL  
NOTE**

BY DELEGATES DOYLE, BARACH AND ROWE

[Introduced February 10, 2021; Referred to the  
Committee on Small Business, Entrepreneurship and  
Economic Development then Finance]

1 A BILL to amend and reenact §11-13X-13 of the Code of West Virginia, 1931, as amended,  
2 relating to reinstating the film tax credits.

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

**ARTICLE 13X. WEST VIRGINIA FILM INDUSTRY INVESTMENT ACT.**

**§11-13X-13. Effective date.**

1 ~~Effective date, elimination of film tax credits, preservation of film tax credits earned prior~~  
2 ~~to the sunset date; cessation of the West Virginia Film Office.~~

3 ~~(a) The credit allowed by this article shall be allowed upon eligible expenditures occurring~~  
4 ~~after December 31, 2007.~~

5 ~~(b) The amendments to this article enacted in the year 2009 shall apply to all taxable years~~  
6 ~~beginning after December 31, 2007, and shall apply with retroactive effect with relation to taxable~~  
7 ~~years beginning prior to the date of passage of such amendments.~~

8 ~~(c) No tax credits authorized under this article shall be issued following the effective date~~  
9 ~~of legislation establishing this subsection, §11-13X-13(d), and §11-13X-13(e) of this code in the~~  
10 ~~year 2018. Notwithstanding any provision of this article to the contrary, no entitlement to any tax~~  
11 ~~credit under this article may result from, and no credit is available to any person for, expenditures~~  
12 ~~incurred following the effective date of this subsection.~~

13 ~~(d) Notwithstanding the provisions of §11-13X-13(c) of this code, film tax credits to which~~  
14 ~~a taxpayer has gained lawful entitlement prior to the effective date of this subsection, may~~  
15 ~~continue to be applied against tax liabilities, subject to the conditions, limitations, and constraints~~  
16 ~~applicable to such credit under this article, until exhausted or otherwise terminated in accordance~~  
17 ~~with the terms of this article and this code. Film tax credits to which a taxpayer has gained lawful~~  
18 ~~entitlement prior to the effective date of this subsection may be transferred in accordance with~~  
19 ~~§11-13X-8 of this code, subject to the conditions, limitations, and constraints applicable to such~~  
20 ~~credit under this article, until exhausted or otherwise terminated in accordance with the terms of~~  
21 ~~this article and this code.~~

22 ~~(e) Effective July 1, 2018, all operations of the West Virginia Film Office shall cease. To~~  
23 ~~the extent necessary to settle, finalize, and conclude business relating to outstanding film tax~~  
24 ~~credits issued prior to the effective date of the bill, the Division of Tourism is hereby authorized to~~  
25 ~~administer such duties for that limited purpose~~

26 (a) The credit allowed by this article is allowed upon eligible expenditures occurring after  
27 December 31, 2020.

28 (b) The amendments to this article enacted in the year 2021 apply to all taxable years  
29 beginning after December 31, 2020, and apply with retroactive effect with relation to taxable years  
30 beginning prior to the date of passage of the amendments.

NOTE: The purpose of this bill is to reinstate the film tax credits removed by the Legislature in 2018 by the passage of Enrolled Senate Bill 263.

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