

WEST VIRGINIA LEGISLATURE

2021 REGULAR SESSION

Introduced

House Bill 2653

FISCAL
NOTE

BY DELEGATES WALKER, HANSEN, SKAFF AND YOUNG

[Introduced February 23, 2021; Referred to the
Committee on Health and Human Resources then
Finance]

1 A BILL to amend the Code of West Virginia 1931, as amended, by adding thereto a new section,
 2 designated §11-21-12j, relating to tax exemption for funds from qualified retirement plans
 3 used for long-term care.

Be it enacted by the Legislature of West Virginia:

ARTICLE 21. PERSONAL INCOME TAX.

§11-21-12j. Exemption for payment from certain retirement plans used for long-term care expense.

1 For taxable years beginning on and after January 1, 2021, in addition to amounts
 2 authorized to be subtracted from federal adjusted gross income pursuant to §11-21-12(c) of this
 3 code, any payment from a qualified retirement plan, including a pension or 401-K during the
 4 taxable year, used to pay for long-term care at home or in a long-term care facility, for either the
 5 taxpayer, the taxpayer’s spouse, parent, or a dependent as defined in section 152 of the Internal
 6 Revenue Code of 1986, as amended, is an authorized modification reducing federal adjusted
 7 gross income, but only to the extent the amount is not allowable as a deduction when arriving at
 8 the taxpayer’s federal adjusted gross income for the taxable year in which the payment is made.
 9 The maximum allowable reduction per taxpayer is \$100,000 per year.

NOTE: The purpose of this bill is to provide a tax exemption for income from a qualified retirement plan used to pay for long-term care.

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