

WEST VIRGINIA LEGISLATURE

2022 REGULAR SESSION

Introduced

House Bill 4093

BY DELEGATE KEATON

[Introduced January 14, 2022; Referred to the
Committee on Small Business, Entrepreneurship and
Economic Development then Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new article,
 2 designated §11-5A-1, §11-5A-2, and §11-5A-3, all relating to business personal property
 3 tax, allowing a tax to be assessed at salvage value for business located in economically
 4 distressed areas.

Be it enacted by the Legislature of West Virginia:

ARTICLE 5A. APPALACHIAN ECONOMIC PROSPERITY ACT.

§11-5A-1. Legislative Findings.

1 The Legislature hereby finds that the economic development of the state’s economically
 2 distressed counties is in the public interest and promotes the general welfare of the people of this
 3 state insofar as it addresses serious concerns for our state’s overall economic wellbeing by
 4 promoting economic opportunity to our strained areas. The Legislature further finds that by
 5 encouraging economic development of these areas will aid in the overall economic prosperity of
 6 the state.

§11-5A-2. Personal property tax valuation for distressed businesses.

1 (a) Definitions-
 2 “Distressed business” shall mean a business located and performing daily operations in a
 3 distressed Appalachian county as identified by the Appalachian Regional Commission.

4 (b) Beginning January 1, 2022, any businesses located and operating in a county identified
 5 as distressed by the Appalachian Regional Commission shall be determined to be distressed
 6 businesses and shall be taxed the salvage value for all business personal property for the next
 7 five years. At the conclusion of those five years, the business’s personal property shall continue
 8 to be taxed the salvage rate if the county in which the business is located and operating is still
 9 identified as a distressed county by the Appalachian Regional Commission.

§11-5A-3. Commissioner to promulgate rules and forms.

1 (a) The Tax Commissioner shall design and provide to the public simplified forms and
 2 schedules to implement and effectuate the provisions of this article.

3 (b) The Tax Commissioner shall promulgate new rules for the administration of this article
4 consistent with its provisions and in accordance with §29A-3-1 et seq. of this code as the
5 commissioner deems necessary after the effective date of the amendments to this article. Such
6 rules shall include rules relating to the necessary documentation required to be filed in order to
7 take the tax credits allowed in this article. The commissioner shall also promulgate emergency
8 rules as necessary for immediate effectuation of this article.

9 (c) Within one year prior to the expiration of the credit established in this article, the State
10 Tax Commissioner shall provide a written report to the Legislature setting forth the utilization of
11 the credit, the benefit of the credit and the overall cost of the credit.

NOTE: The purpose of this bill is to provide a salvage tax rate to businesses operating in economically distressed counties.

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