WEST virginia legislature

2022 regular session

**FISCAL NOTE**

Introduced

House Bill 4546

By Delegates Hamrick, Dean, Haynes, Howell, Maynard, Paynter, Ferrell, and Hanna

[Introduced February 03, 2022; Referred to the Committee on Finance]

A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new article, designated §11-13MM-1, §11-13MM-2, and §11-13MM-3, all relating to the creation of the Headquarters Relocation Tax Credit; providing for a short title; providing for the establishment of the tax credit; listing certain conditions applicable to receiving the tax credit; providing for a carry forward procedure for the tax credit; forbidding carry back provisions; and providing for an effective date for the tax credit.

Be it enacted by the Legislature of West Virginia:

Article 13MM. Headquarters Relocation Tax Credit.

§11-13MM-1. Short title.

This article shall be known and cited as the “Headquarters Relocation Tax Credit.”

§11-13MM-2. Headquarters relocation tax credit.

(a) When a business relocates its corporate headquarters, divisional headquarters, or research and development facility to West Virginia, that business shall be entitled to a tax credit against its state tax liability that is equal to half of the costs incurred in relocating the headquarters.

(b) The company who relocates its headquarters to West Virginia must also have a worldwide annual revenue amount of at least $50 million in order to qualify for the tax credit.

(c) After the relocation, the corporation who moves their headquarters to West Virginia must have 75 or more employees in West Virginia in order to qualify for the tax credit.

(d) The tax credit is applied against income tax liability, and the tax credit may be carried forward for a period of nine years. There is no carry back provision within this credit, and the credit is nonrefundable.

§11-13MM-3. Effective date.

This article shall take effect on July 1, 2022.

NOTE: The purpose of this bill is to create the Headquarters Relocation Tax Credit. The bill provides for a short title. The bill provides for an establishment of the tax credit. The bill lists certain conditions. The bill provides for a carry forward procedure for the tax credit. The bill forbids carry back provisions. Finally, the bill provides for an effective date for the tax credit.

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