

# **WEST VIRGINIA LEGISLATURE**

**2022 REGULAR SESSION**

**ENROLLED**

**Committee Substitute**

**for**

**Senate Bill 476**

BY SENATOR TARR

[Passed March 10, 2022; in effect from passage]



1 AN ACT to amend and reenact §11-12B-3 of the Code of West Virginia, 1931, as amended,  
2 relating to the imposition of the minimum severance tax on coal; and making technical  
3 corrections to the code.

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

**ARTICLE 12B. MINIMUM SEVERANCE TAX ON COAL.**

**§11-12B-3. Imposition of tax, credit.**

1 (a) *Imposition of tax.* – Upon every person exercising the privilege of engaging within this  
2 state in severing, extracting, reducing to possession, or producing coal for sale, profit, or  
3 commercial use, there is hereby imposed an annual minimum severance tax equal to 50 cents  
4 per ton of coal produced by the taxpayer for sale, profit or commercial use during the taxable year:  
5 *Provided,* That for taxable years ending after May 31, 1993, the minimum severance tax imposed  
6 on coal produced by the taxpayer for sale, profit, or commercial use during such taxable year shall  
7 be 75 cents per ton, with such rate increase to apply only to tons of coal produced after May 31,  
8 1993: *Provided, however,* That for taxable years ending after December 31, 1999, the minimum  
9 severance tax on coal may not be imposed on any ton of coal mined by underground methods  
10 from seams with an average thickness of 45 inches or less produced on or after April 1, 2000, on  
11 which the severance tax is imposed by §11-13A-3 of this code.

12 (b) *Credit against the severance tax imposed under §11-13A-1 et seq. of this code* – A  
13 person who pays the minimum severance tax imposed by this article shall be allowed a credit  
14 against the severance tax imposed on the privilege of producing coal by §11-13A-3 of this code,  
15 but not including the additional severance tax on coal imposed by §11-13A-6 of this code or, for  
16 taxable years ending after December 31, 1999, the severance tax imposed by the provisions of  
17 §11-13A-3 of this code on coal mined by underground methods from seams with an average  
18 thickness of 45 inches or less produced on or after April 1, 2000. The amount of credit allowed  
19 shall be equal to the liability of the taxpayer for the taxable year for payment of the minimum  
20 severance tax on coal imposed by this article: *Provided,* That the amount of credit allowed by this

21 section may not exceed the severance tax liability of the taxpayer for the taxable year determined  
22 under §11-13A-3 of this code exclusive of the additional tax on coal imposed by §11-13A-6 of this  
23 code and, for taxable years ending after December 31, 1999, of the severance tax imposed by  
24 §11-13A-3 of this code on coal mined by underground methods from seams with an average  
25 thickness of 45 inches or less produced on or after April 1, 2000, after application of all credits to  
26 which the taxpayer may be entitled except any credit allowed pursuant to §5E-1-1 *et seq.* of this  
27 code, any credit for installment payments of estimated tax paid pursuant to §11-12B-6 of this code  
28 during the taxable year, and any credit for overpayment of the severance tax imposed under §11-  
29 13A-1 *et seq.* Notwithstanding anything herein to the contrary, in no event may the credit allowed  
30 under §5E-1-1 *et seq.* of this code be allowed as a credit against the minimum severance tax  
31 imposed by this article.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

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*Chairman, Senate Committee*

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*Chairman, House Committee*

Originated in the Senate.

In effect from passage.

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*Clerk of the Senate*

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*Clerk of the House of Delegates*

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*President of the Senate*

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*Speaker of the House of Delegates*

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The within ..... this the.....  
Day of ....., 2022.

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*Governor*