

# **WEST VIRGINIA LEGISLATURE**

## **2024 REGULAR SESSION**

**Introduced**

### **Senate Bill 336**

By Senators Clements and Deeds

[Introduced January 12, 2024; referred  
to the Committee on Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new article,  
 2 designated §11-13NN-1, §11-13NN-2, §11-13NN-3, §11-13NN-4, §11-13NN-5, and §11-  
 3 13NN-6, all relating to creating the Return to West Virginia Tax Credit Act; providing for a  
 4 title, findings, and purpose; providing for a nonrefundable credit against state personal  
 5 income taxes; providing a definition; providing for limitations and eligibility requirements of  
 6 the credit; authorizing legislative rule; authorizing the Tax Commissioner to create forms  
 7 and require documentation; providing for effective and expiration dates of the credit; and  
 8 requiring reporting.

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

**ARTICLE 13NN. RETURN TO WEST VIRGINIA TAX CREDIT ACT.**

1 **§11-13NN-1. Short Title.**

2 This article may be cited as the "Return to West Virginia Tax Credit Act."

3 **§11-13NN-2. Findings and purpose.**

4 The Legislature finds that it is an important public policy to encourage former West  
 5 Virginians to return home and seek employment in West Virginia. West Virginia is enjoying low  
 6 unemployment rates and seeks the return of West Virginians who have been gone because they,  
 7 or their family members, felt the need to pursue employment opportunities outside of the state. In  
 8 furtherance of its findings and as an incentive to return home and work in the state, the purpose of  
 9 this article is to create a nonrefundable credit against state personal income taxes.

10 **§11-13NN-3. Amount and limitation of credit.**

11 There is allowed to an eligible taxpayer a nonrefundable credit against taxes imposed by  
 12 §11-21-1 et seq. of this code in the amount \$25,000. If the total amount of the credit authorized by  
 13 this article is not used in any tax year, the unused portion of the credit may be applied to a future  
 14 tax year to which this credit applies: *Provided*, That the total amount of the credit claimed by an  
 15 eligible taxpayer may not exceed \$25,000. No carryback to a prior taxable year is allowed for any  
 16 unused portion of the credit.

17 **§11-13NN-4. Eligibility for credit; definition.**

18 "Eligible taxpayer " as used in this article means an individual in this state who meets the  
19 following criteria:

20 (1) The individual resided and was employed in West Virginia for a minimum of ten years;  
21 or the individual was born in West Virginia; and

22 (2) The individual has not been a resident of West Virginia for at least ten consecutive  
23 years preceding the year 2024; and

24 (3) The individual became a West Virginia resident again on or after January 1, 2024.

25 **§11-13NN-5. Legislative rules; authority of the Tax Commissioner.**

26 (a) The Tax Commissioner may propose rules for legislative approval in accordance with  
27 the provisions of §29A-3-1 et seq. of this code as may be necessary to carry out the purpose of this  
28 article.

29 (b) The Tax Commissioner may create forms and require the submission of documentation  
30 from any taxpayer who claims entitlement to the credit authorized by this article in order to verify  
31 such entitlement.

32 **§11-13NN-6. Effective date and expiration of credit; reporting.**

33 (a) The credit authorized in this article may be claimed after December 31, 2024.

34 (b) The credit authorized in this article shall expire and not be authorized or applied for any  
35 taxable year after December 31, 2030.

36 (c) On or before July 1, 2025, and annually thereafter for as long as the credit authorized in  
37 this article may be claimed, the Tax Commissioner shall provide an annual report in an electronic  
38 format to the Joint Committee on Government and Finance setting forth details concerning the  
39 utilization of the credit, including the number of taxpayers claiming the credit, the number of  
40 taxpayers deemed eligible or ineligible by the Tax Commissioner to receive the credit, benefits  
41 realized as a result of the credit, and the annual amount of the credit.

NOTE: The purpose of this bill is to provide for a one time nonrefundable \$25,000 tax credit

for those persons who have previously resided in West Virginia for a period of at least 20 years, but who left the state to pursue other employment opportunities.

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