

**H. B. 101**

(By Mr. Speaker, (Mr. Thompson) and Delegate Armstead)  
[By Request of the Executive]  
[Introduced August 1, 2011; referred to the  
Committee on Finance.]

**FISCAL  
NOTE**

A BILL to amend and reenact §11-15-3a of the Code of West Virginia, 1931, as amended, relating to reducing the consumers sales and service tax on sales, purchases and uses of food and food ingredients intended for human consumption on a date certain.

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

That §11-15-3a of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

**ARTICLE 15. CONSUMERS SALES AND SERVICE TAX.**

**§11-15-3a. Rate of tax on food and food ingredients intended for human consumption; reductions of tax beginning July 1, 2008 and January 1, 2012.**

(a) *Rate of tax on food and food ingredients.* -- Notwithstanding any provision of this article or article fifteen-a of this chapter to the contrary, the rate of tax on sales, purchases and uses of food and food ingredients intended for human

1 consumption after June 30, 2008, shall be three percent of its  
2 sales price, as defined in section two, article fifteen-b of this  
3 chapter: *Provided*, That the rate of tax on sales, purchases and  
4 uses of food and food ingredients as defined in ~~said~~ that section  
5 that is intended for human consumption after December 31, 2011,  
6 shall be ~~two~~ one and one-half percent of its sales price, as  
7 defined in ~~said~~ that section.

8       (b) *Calculation of tax on fractional parts of a dollar.* -- The  
9 tax computation under this section shall be carried to the third  
10 decimal place and the tax rounded up to the next whole cent  
11 whenever the third decimal place is greater than four and rounded  
12 down to the lower whole cent whenever the third decimal place is  
13 four or less. The seller may elect to compute the tax due on a  
14 transaction on a per item basis or on an invoice basis provided the  
15 method used is consistently used during the reporting period.

16       (c) *Federal Food Stamp and Women, Infants and Children*  
17 *Programs, other exemptions.* -- Nothing in this section ~~shall affect~~  
18 affects application of the exemption from tax provided in section  
19 nine of this article for food purchased by an eligible person using  
20 food stamps, electronic benefits transfer cards or vouchers issued  
21 by or pursuant to authorization of the United States Department of  
22 Agriculture to individuals participating in the Federal Food Stamp  
23 Program, by whatever name called, or the Women, Infants and  
24 Children (WIC) program, or application of any other exemption from

1 tax set forth in this article or article fifteen-a of this chapter.

NOTE: The purpose of this bill is to reduce the Consumers Sales and Service Tax on food and food ingredients to 1.5%, beginning on January 1, 2012.

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