

1 **H. B. 2913**

2
3 (By Delegates White and T. Campbell)

4 (By Request of the Tax Division)

5 [Introduced January 28, 2011; referred to the
6 Committee on Finance.]

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10 A BILL to amend and reenact §11-24-11b of the Code of West
11 Virginia, 1931, as amended, relating to corporation net income
12 tax; and making a technical correction in the definition of
13 "eligible taxpayer."

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

15 That §11-24-11b of the Code of West Virginia, 1931, as
16 amended, be amended and reenacted to read as follows:

17 **ARTICLE 24. CORPORATION NET INCOME TAX**

18 **§11-24-11b. Credit for utility taxpayers with net operating loss**
19 **carryovers.**

20 (a) *General.* -- There shall be allowed to every eligible
21 taxpayer a nonrefundable credit against its primary tax liability
22 imposed under this article for any net operating loss carryovers
23 that exist as of ~~the thirty-first day of December, two thousand six~~

1 December 31, 2006.

2 (b) (1) "Eligible taxpayer" means any person subject to the
3 business and occupation taxes prescribed by article thirteen of
4 this chapter and exercising any privilege taxable under section
5 two-o of ~~this~~ article thirteen of this chapter.

6 (2) "Eligible taxpayer" also includes an affiliated group of
7 taxpayers if the group elects to file a consolidated corporation
8 net income tax return under this article if one or more affiliates
9 included in the affiliated group would qualify as an eligible
10 taxpayer under subdivision (1) of this subsection.

11 (c) *Amount of credit.* -- The amount of credit allowed shall be
12 equal to one-quarter percent of the eligible taxpayer's West
13 Virginia net operating loss carryovers allowed by subsection (d),
14 section six of this article that exist as of ~~the thirty first day~~
15 ~~of December, two thousand six~~ December 31, 2006.

16 (d) *Application of credit.* -- The amount of credit allowed
17 shall be taken against the tax liabilities of the eligible taxpayer
18 under this article as shown on its annual return for the taxable
19 year in which its net operating loss carryovers are utilized, as
20 provided in subsection (d), section six of this article. Any credit
21 remaining after application against the eligible taxpayer's tax
22 liabilities for the current year may be carried forward to
23 subsequent tax years until used.

NOTE: The purpose of this bill is to make a technical correction in the definition of "eligible taxpayer" in §11-24-11b, relating to corporation net income tax.

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