

HOUSE JOINT RESOLUTION NO.34

(By Delegates Craig, Michael, Armstead,
Reynolds, Pasdon, Hartman, Kominar
and Andes)

[Introduced February 4, 2011; referred to the
Committee on Constitutional Revision then Finance.]

Proposing an amendment to the Constitution of the State of West
Virginia, amending article X thereof, relating to by adding
thereto a new section, designated section one-d, relating to
authorizing the Legislature to exempt tangible personal
property from ad valorem taxation; authorizing the Legislature
to reduce maximum levy rates on tangible personal property as
an alternative to exempting such property from ad valorem
property taxation; requiring the Legislature to provide
measures by which revenues reduced or lost as a result of such
an exemption or rate reduction may be replaced; prohibiting
any impact on any excess levy in effect at the time an
exemption or rate reduction takes effect; authorizing the
Legislature to phase in an exemption or rate reduction over a
period not to exceed five years on property being taxed at the
time an exemption or rate reduction takes effect; numbering
and designating such proposed amendment; and providing a
summarized statement of the purpose of such proposed

1 amendment.

2 *Resolved by the Legislature of West Virginia, two thirds of*
3 *the members elected to each house agreeing thereto:*

4 That the question of ratification or rejection of an amendment
5 to the Constitution of the State of West Virginia be submitted to
6 the voters of the State at the next general election to be held in
7 the year 2012, which proposed amendment is that article X thereof
8 be amended by adding thereto a new section, designated section one-
9 d, to read as follows:

10 **ARTICLE X. TAXATION AND FINANCE.**

11 **§1d. Exemption of tangible personal property from ad valorem**
12 **taxation; reduction in maximum levy rates; replacement of**
13 **lost revenues; impact upon excess levies; phase in of**
14 **exemption or rate reduction.**

15 Any other provision of this Constitution notwithstanding, the
16 Legislature may by general law exempt tangible personal property
17 from ad valorem property taxation, or such types thereof as the
18 Legislature may by law designate. As an alternative to exempting
19 tangible personal property from ad valorem property taxation, the
20 Legislature may by general law reduce the maximum levy rates
21 provided in section one of this article on such property, or such
22 types thereof as the Legislature may by law designate. Should the
23 Legislature enact such an exemption or rate reduction, it shall at
24 the same time by general law provide measures by which revenues

1 reduced or lost as a result of such exemption or rate reduction may
2 be replaced. Any such exemption or rate reduction may not work to
3 reduce any excess levy in effect at the time such exemption or rate
4 reduction takes effect, but only for such time as such excess levy
5 is in effect. Any exemption or rate reduction under this section
6 may be phased in by the Legislature by general law over a period
7 not to exceed five years for tangible personal property being taxed
8 as of the time such exemption or rate reduction takes effect.

9 *Resolved further,* That in accordance with the provisions of
10 article eleven, chapter three of the Code of West Virginia, 1931,
11 as amended, such proposed amendment is hereby numbered "Amendment
12 No. 1" and designated as the "Tangible Personal Property Tax
13 Exemption and Rate Reduction Amendment," and the purpose of the
14 proposed amendment is summarized as follows: "To amend the State
15 Constitution to permit the Legislature to exempt or reduce maximum
16 levy rates on tangible personal property from ad valorem taxation,
17 or such types thereof as the Legislature may designate, and to
18 require the Legislature to provide measures by which revenues
19 reduced or lost as a result of such exemption or rate reduction may
20 be replaced."

NOTE: The purpose of this resolution is to submit the proposed "Tangible Personal Property Tax Exemption and Rate Reduction Amendment" to the Constitution of the State to the people of the state for ratification or rejection at the general election of 2012.

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