

SENATE JOINT RESOLUTION NO. 11

(By Senators McCabe, Foster, Hall, Minard and Sypolt)

[Introduced February 10, 2011; referred to
the Committee on the Judiciary; and then to
the Committee on Finance.]

Proposing an amendment to the Constitution of the State of West Virginia, amending article X thereof, 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 amendment.

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

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

ARTICLE X. TAXATION AND FINANCE.

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

1 Any other provision of this Constitution notwithstanding,
2 the Legislature may by general law exempt tangible personal
3 property from ad valorem property taxation, or such types
4 thereof as the Legislature may by law designate. As an

5 alternative to exempting tangible personal property from ad
6 valorem property taxation, the Legislature may by general
7 law reduce the maximum levy rates provided in section one
8 of this article on such property, or such types thereof as the
9 Legislature may by law designate. Should the Legislature
10 enact such an exemption or rate reduction, it shall at the
11 same time by general law provide measures by which
12 revenues reduced or lost as a result of such exemption or rate
13 reduction may be replaced. Any such exemption or rate
14 reduction may not work to reduce any excess levy in effect at
15 the time such exemption or rate reduction takes effect, but
16 only for such time as such excess levy is in effect. Any
17 exemption or rate reduction under this section may be
18 phased in by the Legislature by general law over a period not
19 to exceed five years for tangible personal property being
20 taxed as of the time such exemption or rate reduction takes
21 effect.

22 *Resolved further*, That in accordance with the provisions
23 of article eleven, chapter three of the Code of West Virginia,
24 1931, as amended, such proposed amendment is hereby
25 numbered “Amendment No. 1” and designated as the
26 “Tangible Personal Property Tax Exemption and Rate

27 Reduction Amendment” and the purpose of the proposed
28 amendment is summarized as follows: “To amend the State
29 Constitution to permit the Legislature to exempt or reduce
30 maximum levy rates on tangible personal property from ad
31 valorem taxation, or such types thereof as the Legislature
32 may designate, and to require the Legislature to provide
33 measures by which revenues reduced or lost as a result of
34 such exemption or rate reduction may 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.)