

1 Any reference in this article to the laws of the United States
2 means the provisions of the Internal Revenue Code of 1986, as
3 amended, and any other provisions of the laws of the United States
4 that relate to the determination of income for federal income tax
5 purposes. All amendments made to the laws of the United States
6 after December 31, ~~2009~~ 2010, but prior to January 1, ~~2011~~ 2012,
7 shall be given effect in determining the taxes imposed by this
8 article to the same extent those changes are allowed for federal
9 income tax purposes, whether the changes are retroactive or
10 prospective, but no amendment to the laws of the United States made
11 on or after January 1, ~~2011~~ 2012, shall be given any effect.

12 (b) The term "Internal Revenue Code of 1986" means the
13 Internal Revenue Code of the United States enacted by the federal
14 Tax Reform Act of 1986 and includes the provisions of law formerly
15 known as the Internal Revenue Code of 1954, as amended, and in
16 effect when the federal Tax Reform Act of 1986 was enacted that
17 were not amended or repealed by the federal Tax Reform Act of 1986.
18 Except when inappropriate, any reference in any law, executive
19 order or other document:

20 (1) To the Internal Revenue Code of 1954 includes a reference
21 to the Internal Revenue Code of 1986; and

22 (2) To the Internal Revenue Code of 1986 includes a reference
23 to the provisions of law formerly known as the Internal Revenue
24 Code of 1954.

1 (c) *Effective date.* -- The amendments to this section enacted
2 in the year ~~2011~~ 2012 are retroactive to the extent allowable under
3 federal income tax law. With respect to taxable years that began
4 prior to January 1, ~~2012~~ 2013, the law in effect for each of those
5 years shall be fully preserved as to that year, except as provided
6 in this section.

(NOTE: The purpose of this bill is to update the meaning of "federal taxable income" and certain other terms used in the West Virginia Corporation Net Income Tax Act so that the definitions conform with the Internal Revenue Code's definitions.

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