

Senate Bill No. 629

(By Senators Kirkendoll, Unger, Browning and Klempa)

[Introduced February 17, 2012; referred to the Committee on
Finance.]

**FISCAL
NOTE**

10 A BILL to amend the Code of West Virginia, 1931, as amended, by
11 adding thereto a new article, designated §11-13CC-1 and §11-
12 13CC-2, all relating to the establishment of a tax credit for
13 improvements to Class II residential property; limiting the
14 tax credit to \$500 per year; providing for a carryover; and
15 granting rule-making authority.

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

17 That the Code of West Virginia, 1931, as amended, be amended
18 by adding thereto a new article, designated §11-13CC-1 and §11-
19 13CC-2, all to read as follows:

20 **ARTICLE 13CC. RESIDENTIAL IMPROVEMENT TAX CREDIT.**

21 **§11-13CC-1. Amount of credit.**

22 Any taxpayer who makes improvements to Class II residential
23 property located in this state, owned by the taxpayer and used as
24 his or her residence after July 1, 2012, shall be allowed a credit

1 against the taxes imposed in article twenty-one of this chapter in
2 an amount equal to thirty percent of the cost of the improvements
3 up to a maximum amount of \$500.

4 **§11-13CC-2. Carryover credit allowed; Tax Commissioner to**
5 **promulgate rules.**

6 If the amount of the credit exceeds the taxpayer's liability
7 for the taxable year, the amount which exceeds the tax liability
8 may be carried over and applied as a credit against the tax
9 liability of the taxpayer pursuant to article twenty-one of this
10 chapter to each of the next taxable years unless sooner used.

11 The State Tax Commissioner shall promulgate legislative rules
12 pursuant to chapter twenty-nine-a of this code regarding the
13 applicability, method of claiming of the credit, recapture of the
14 credit and documentation necessary to claim the credit allowed by
15 this article. No taxpayer may take a credit pursuant to this
16 article for improvements made after July 1, 2016.

NOTE: The purpose of this bill is to permit a tax credit for
improvements to Class II residential property. The bill limits the
tax credit to \$500 per year, provides for a carryover and ends in
2016. The bill also grants rule-making authority.

This article is new; therefore, strike-throughs and
underscoring have been omitted.