

**Senate Bill No. 147**

(By Senators Yost and Fitzsimmons)

\_\_\_\_\_  
[Introduced February 14, 2013; referred to the Committee on  
Transportation and Infrastructure; and then to the Committee on  
Finance.]  
\_\_\_\_\_

**FISCAL  
NOTE**

A BILL to amend and reenact §11-3-9 of the Code of West Virginia, 1931, as amended, relating to exempting from taxation motor vehicles owned by members of the armed forces of the United States while serving in a designated war zone.

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

That §11-3-9 of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

**ARTICLE 3. ASSESSMENTS GENERALLY.**

**§11-3-9. Property exempt from taxation.**

(a) All property, real and personal, described in this subsection, and to the extent limited by this section, is exempt from taxation:

(1) Property belonging to the United States, other than

1 property permitted by the United States to be taxed under state  
2 law;

3 (2) Property belonging exclusively to the state;

4 (3) Property belonging exclusively to any county, district,  
5 city, village or town in this state and used for public purposes;

6 (4) Property located in this state belonging to any city,  
7 town, village, county or any other political subdivision of another  
8 state and used for public purposes;

9 (5) Property used exclusively for divine worship;

10 (6) Parsonages and the household goods and furniture  
11 pertaining thereto;

12 (7) ~~Mortgages, bonds and other evidence~~ Evidence of  
13 indebtedness in the hands of bona fide owners and holders ~~hereafter~~  
14 issued after this article takes effect and sold by churches and  
15 religious societies for the purposes of securing money to be used  
16 in the erection of church buildings used exclusively for divine  
17 worship or for the purpose of paying indebtedness thereon;

18 (8) Cemeteries;

19 (9) Property belonging to, or held in trust for, colleges,  
20 seminaries, academies and free schools, if used for educational,  
21 literary or scientific purposes, including books, apparatus,  
22 annuities and furniture;

23 (10) Property belonging to, or held in trust for, colleges or

1 universities located in West Virginia, or any public or private  
2 nonprofit foundation or corporation which receives contributions  
3 exclusively for such college or university, if the property or  
4 dividends, interest, rents or royalties derived therefrom are used  
5 or devoted to educational purposes of such college or university;

6 (11) Public and family libraries;

7 (12) Property used for charitable purposes and not held or  
8 leased out for profit;

9 (13) Property used for the public purposes of distributing  
10 electricity, water or natural gas or providing sewer service by a  
11 duly chartered nonprofit corporation when such property is not  
12 held, leased out or used for profit;

13 (14) Property used for area economic development purposes by  
14 nonprofit corporations when the property is not leased out for  
15 profit;

16 (15) All real estate not exceeding one acre in extent, and the  
17 buildings on the real estate, used exclusively by any college or  
18 university society as a literary hall, or as a dormitory or  
19 clubroom, if not used with a view to profit, including, but not  
20 limited to, property owned by a fraternity or sorority organization  
21 affiliated with a university or college or property owned by a  
22 nonprofit housing corporation or similar entity on behalf of a  
23 fraternity or sorority organization affiliated with a university or

1 college, when the property is used as residential accommodations or  
2 as a dormitory for members of the organization;

3 (16) All property belonging to benevolent associations not  
4 conducted for private profit;

5 (17) Property belonging to any public institution for the  
6 education of the deaf, dumb or blind or any hospital not held or  
7 leased out for profit;

8 (18) Houses of refuge and mental health facility or orphanage;

9 (19) Homes for children or for the aged, friendless or infirm  
10 not conducted for private profit;

11 (20) Fire engines and implements for extinguishing fires, and  
12 property used exclusively for the safekeeping thereof, and for the  
13 meeting of fire companies;

14 (21) All property on hand to be used in the subsistence of  
15 livestock on hand at the commencement of the assessment year;

16 (22) Household goods to the value of \$200.00, whether or not  
17 held or used for profit;

18 (23) Bank deposits and money;

19 (24) Household goods, which for purposes of this section means  
20 only personal property and household goods commonly found within  
21 the house and items used to care for the house and its surrounding  
22 property, when not held or used for profit;

23 (25) Personal effects, which for purposes of this section

1 means only articles and items of personal property commonly worn on  
2 or about the human body or carried by a person and normally thought  
3 to be associated with the person when not held or used for profit;

4 (26) Dead victuals laid away for family use;

5 (27) All property belonging to the state, any county,  
6 district, city, village, town or other political subdivision or any  
7 state college or university which is subject to a lease purchase  
8 agreement and which provides that, during the term of the lease  
9 purchase agreement, title to the leased property rests in the  
10 lessee so long as lessee is not in default or shall not have  
11 terminated the lease as to the property;

12 (28) Personal property, including vehicles that qualify for a  
13 farm use exemption certificate pursuant to section two, article  
14 three, chapter seventeen-a of this code and livestock, employed  
15 exclusively in agriculture, as defined in article ten, section one  
16 of the West Virginia Constitution: *Provided*, That this exemption  
17 only applies in the case of such personal property used on a farm  
18 or farming operation that annually produces for sale agricultural  
19 products, as defined in rules of the Tax Commissioner; ~~and~~

20 (29) Motor vehicles owned by persons who are members of the  
21 Armed Forces of the United States, stationed in a designated war  
22 zone. The exemption from taxation shall continue for the time the  
23 person is stationed in the war zone and for two years after leaving

1 any war zone; and

2 ~~(29)~~ (30) Any other property or security exempted by any other  
3 provision of law.

4 (b) Notwithstanding the provisions of subsection (a) of this  
5 section, no property is exempt from taxation which has been  
6 purchased or procured for the purpose of evading taxation whether  
7 temporarily holding the same over the first day of the assessment  
8 year or otherwise.

9 (c) Real property which is exempt from taxation by subsection  
10 (a) of this section shall be entered upon the assessor's books,  
11 together with the true and actual value thereof, but no taxes may  
12 be levied upon the property or extended upon the assessor's books.

13 (d) Notwithstanding any other provisions of this section, this  
14 section does not exempt from taxation any property owned by, or  
15 held in trust for, educational, literary, scientific, religious or  
16 other charitable corporations or organizations, including any  
17 public or private nonprofit foundation or corporation existing for  
18 the support of any college or university located in West Virginia,  
19 unless such property, or the dividends, interest, rents or  
20 royalties derived therefrom, is used primarily and immediately for  
21 the purposes of the corporations or organizations.

22 (e) The Tax Commissioner shall, by issuance of rules, provide  
23 each assessor with guidelines to ensure uniform assessment

1 practices statewide to effect the intent of this section.

2 (f) Inasmuch as there is litigation pending regarding  
3 application of this section to property held by fraternities and  
4 sororities, amendments to this section enacted in 1998 shall apply  
5 to all cases and controversies pending on the date of such  
6 enactment.

7 (g) The amendment to subdivision (27), subsection (a) of this  
8 section, passed during the 2005 regular session of the Legislature,  
9 shall apply to all applicable lease purchase agreements in  
10 existence upon the effective date of the amendment.

NOTE: The purpose of this bill is to exempt from taxation motor vehicles owned by members of the Armed Forces of the United States while serving in a designated war zone. The exemption continues for two years after the person has left a war zone.

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