

1 required. Any reference in this article to the laws of the United
2 States means the provisions of the Internal Revenue Code of 1986,
3 as amended, and any other provisions of the laws of the United
4 States that relate to the determination of income for federal
5 income tax purposes. All amendments made to the laws of the United
6 States after ~~December 31, 2010,~~ January 1, 2012, but prior to
7 ~~January 1, 2012,~~ 3, 2013, shall be given effect in determining the
8 taxes imposed by this article to the same extent those changes are
9 allowed for federal income tax purposes, whether the changes are
10 retroactive or prospective, but no amendment to the laws of the
11 United States made on or after ~~January 1, 2012,~~ 3, 2013, shall be
12 given any effect.

13 (b) Medical savings accounts. -- The term "taxable trust" does
14 not include a medical savings account established pursuant to
15 section twenty, article fifteen, chapter thirty-three of this code
16 or section fifteen, article sixteen of said chapter. Employer
17 contributions to a medical savings account established pursuant to
18 said sections are not wages for purposes of withholding under
19 section seventy-one of this article.

20 (c) Surtax. -- The term "surtax" means the twenty percent
21 additional tax imposed on taxable withdrawals from a medical
22 savings account under section twenty, article fifteen, chapter
23 thirty-three of this code and the twenty percent additional tax

1 imposed on taxable withdrawals from a medical savings account under
2 section fifteen, article sixteen of said chapter which are
3 collected by the Tax Commissioner as tax collected under this
4 article.

5 (d) Effective date. -- The amendments to this section enacted
6 in the year ~~2012~~ 2013 are retroactive to the extent allowable under
7 federal income tax law. With respect to taxable years that began
8 prior to January 1, ~~2013~~, 2014, the law in effect for each of those
9 years shall be fully preserved as to that year, except as provided
10 in this section.

11 (e) For purposes of the refundable credit allowed to a low
12 income senior citizen for property tax paid on his or her homestead
13 in this state, the term "laws of the United States" as used in
14 subsection (a) of this section means and includes the term "low
15 income" as defined in subsection (b), section twenty-one of this
16 article and as reflected in the poverty guidelines updated
17 periodically in the federal register by the U.S. Department of
18 Health and Human Services under the authority of 42 U.S.C.
19 §9902(2).

NOTE: The purpose of this bill is to update the meaning of federal adjusted gross income and certain other terms used in the West Virginia Personal Income Tax Act by bringing them into conformity with their meaning for Internal Revenue Code's definitions; and specifying effective dates.

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