

Senate Bill No. 634

(By Senator Chafin)

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[Introduced March 25, 2013; referred to the Committee on Economic
Development; and then to the Committee on Finance.]

**FISCAL
NOTE**

A BILL to amend the Code of West Virginia, 1931, as amended, by
adding thereto a new article, designated §11-13B-1 and §11-
13B-2, all relating to imposing a tax to produce revenue of
approximately \$10 million to be dedicated to the West Virginia
Division of Tourism for promotion and maintenance of outdoor
activities.

Be it enacted by the Legislature of West Virginia:

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

ARTICLE 13B. TELECOMMUNICATIONS TAX.

§11-13B-1. Tax imposed on telecommunications businesses.

(a) Upon every telecommunications business selling or
furnishing telegraph, telephone or other telecommunications

1 service, there is hereby imposed an annual privilege tax on account
2 of the business or other activities of the taxpayer, engaged in or
3 carried on within this state, during the taxable year. The amount
4 of taxes due shall be determined by application of rates against
5 gross income, as specified in subsection (b) for telecommunications
6 business effective on and after July 1, 2014.

7 (b) The percentage of tax to be applied to gross income to
8 determine tax liability shall be approximately one quarter of one
9 percent, but is to be calculated by the Tax Commissioner so as to
10 produce revenue as close as reasonably possible to \$10 million per
11 year gross income from all telecommunications business beginning
12 and ending within this state, and the gross income apportioned to
13 this state from all telecommunications business that either begins
14 or ends in this state.

15 (c) This section does not apply to telecommunications services
16 provided by municipalities, or by any other political subdivisions
17 of this state.

18 **§11-13B-2. Proceeds of the tax.**

19 Proceeds from the tax imposed by this article shall be paid to
20 the West Virginia Division of Tourism to be used for the promotion
21 and maintenance of outdoor activities including, but not limited
22 to, skiing and white water rafting.

NOTE: The purpose of this bill is to create a tax on telecommunications businesses to provide as close as reasonably possible, \$10 million in revenue to benefit promotion and maintenance of outdoor activities.

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