

H. B. 4506

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(By Delegates D. Poling, White, Marcum,
Manchin, Caputo, Morgan, Walker and Guthrie)

[Introduced February 13, 2014; referred to the
Committee on Finance.]

**FISCAL
NOTE**

A BILL to amend and reenact §11-21-4e of the Code of West Virginia,
1931, as amended, relating to decreasing the personal income
tax rates for certain taxpayers and raising the personal
income tax rates for certain other taxpayers.

Be it enacted by the Legislature of West Virginia:

That §11-21-4e of the Code of West Virginia, 1931, as amended,
be amended and reenacted to read as follows:

ARTICLE 21. PERSONAL INCOME TAX.

**§11-21-4e. Rate of tax -- Taxable years beginning on or after
January 1, 2015.**

(a) Rate of tax on individuals (except married individuals
filing separate returns), individuals filing joint returns, heads
of households, estates and trusts. -- The tax imposed by section
three of this article on the West Virginia taxable income of every
individual (except married individuals filing separate returns);

1 every individual who is a head of a household in the determination
 2 of his or her federal income tax for the taxable year; every
 3 husband and wife who file a joint return under this article; every
 4 individual who is entitled to file his or her federal income tax
 5 return for the taxable year as a surviving spouse; and every estate
 6 and trust shall be determined in accordance with the following
 7 table:

8	If the West Virginia		The tax is:
9	taxable income is:		
10			
11	Not over \$10,000		3% of the taxable income
12			
13	Over \$10,000 but not		\$300.00 plus 4% of excess
14	over \$25,000		over \$10,000
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16	Over \$25,000 but not		\$900.00 plus 4.5% of excess
17	over \$40,000		over \$25,000
18			
19	Over \$40,000 but not		\$1,575.00 plus 6% <u>5%</u> of excess
20	over \$60,000		over \$40,000
21			
22	<u>Over \$60,000 but not</u>		\$2,775.00 <u>\$2,575</u> plus 6.5% <u>5.5%</u>
23	<u>over \$85,000</u>		of excess over \$60,000
24			
25			
26	<u>Over \$85,000 but not</u>		<u>\$3,950.00 plus 6.25% of excess</u>
27			<u>over \$85,000</u>
28	<u>over \$115,000</u>		
29			
30	<u>Over \$115,000 but not</u>		<u>\$5,825.00 plus 7% of excess</u>
31			<u>over \$115,000</u>
32	<u>over \$150,000</u>		
33			
34	<u>Over \$150,000 but not</u>		<u>\$8,275.00 plus 8.5% of excess</u>
35			<u>over \$150,000</u>
36	<u>over \$250,000</u>		
37			
38	<u>Over \$250,000</u>		<u>\$16,775.00 plus 8.9% of excess</u>
39			<u>over \$150,000</u>
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(b) Rate of tax on married individuals filing separate returns. -- In the case of husband and wife filing separate returns under this article for the taxable year, the tax imposed by section three of this article on the West Virginia taxable income of each spouse shall be determined in accordance with the following table:

If the West Virginia taxable income is:	The tax is:
Not over \$5,000	3% of the taxable income
Over \$5,000 but not over \$12,500	\$150.00 plus 4% of excess over \$5,000
Over \$12,500 but not over \$20,000	\$450.00 plus 4.5% of excess over \$12,500
Over \$20,000 but not over \$30,000	\$787.50 plus 6% <u>5%</u> of excess over \$20,000
<u>Over \$30,000 but not over \$42,500</u>	\$1,387.50 <u>\$1,287.50</u> plus 6.5% <u>5.5%</u> of excess over \$30,000
<u>Over \$42,500 but not over \$57,500</u>	<u>\$1,975.00 plus 6.25% of excess over \$42,500</u>
<u>Over \$57,500 but not over \$75,000</u>	<u>\$2,912.50 plus 7% of excess over \$57,500</u>
<u>Over \$75,000 but not over \$125,000</u>	<u>\$4,137.50 plus 8.5% of excess over \$75,000</u>
<u>Over \$125,000</u>	<u>\$8,387.50 plus 8.9% of excess over \$125,000</u>

(c) Applicability of this section. -- The provisions of this

1 section, as amended by this act, shall be applicable in determining
2 the rate of tax imposed by this article for all taxable years
3 beginning after December 31, ~~1986~~ 2014, and shall be in lieu of the
4 rates of tax specified in section four-d of this article.

NOTE: The purpose of this bill is to decrease the personal income tax rates for certain taxpayers and raising the personal income tax rates for certain other taxpayers.

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