

**Senate Bill No. 259**

(By Senator Chafin)

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[Introduced January 8, 2014; 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 on  
telecommunications businesses 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

1 furnishing telegraph, telephone or other telecommunications  
2 service, there is hereby imposed an annual privilege tax on account  
3 of the business or other activities of the taxpayer, engaged in or  
4 carried on within this state, during the taxable year. The amount  
5 of taxes due shall be determined by application of rates against  
6 gross income, as specified in subsection (b) for telecommunications  
7 business effective on and after July 1, 2015.

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

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

19 **§11-13B-2. Proceeds of the tax.**

20       Proceeds from the tax imposed by this article shall be paid to  
21 the West Virginia Division of Tourism to be used for the promotion  
22 and maintenance of outdoor activities including, but not limited  
23 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.