

H. B. 2570

(By Delegate Walters)

[Introduced February 3, 2015; referred to the
Committee on Finance.]

**FISCAL
NOTE**

A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section, designated §11-13C-17; and to amend said code by adding thereto a new section, designated §11-24-9d, all relating to a tax deduction allowed for capital expenditures from the corporate net income tax.

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 section, designated §11-13C-17; and that said code be amended by adding thereto a new section, designated §11-24-9d, all to read as follows:

ARTICLE 13C. BUSINESS INVESTMENT AND JOBS EXPANSION TAX CREDIT.

§11-13C-17. Tax deduction for replacing any capital expenditures; definitions; no carryover.

(a) Capital expenditures means funds used by a company to acquire or upgrade physical assets such as property, industrial buildings or equipment including, but not limited to, repairing a roof, building a new factory or purchasing new computers.

1 (b) A tax deduction is allowed against the primary tax imposed by this code equal to the
2 amount of money spent by a business or small business, as defined in this article, for all capital
3 expenditures.

4 (c) A business or small business must apply the tax deduction to the tax year in which the
5 capital expenditure was made.

6 **ARTICLE 24. CORPORATION NET INCOME TAX.**

7 **§11-24-9d. Tax deduction for replacing any capital expenditures; definitions; no carryover.**

8 (a) Capital expenditures means funds used by a company to acquire or upgrade physical
9 assets such as property, industrial buildings or equipment including, but not limited to, repairing a
10 roof, building a new factory or purchasing new computers.

11 (b) A deduction shall be allowed against the primary tax imposed by this article equal to the
12 amount of money spent by a corporation for all capital expenditures.

13 (c) A corporation must apply the tax deduction to the tax year in which the capital
14 expenditure was made.

NOTE: The purpose of this bill is to allow a deduction for all capital expenditures from the corporate net income tax.

§11-13C-17 and §11-24-9d are new; therefore, they have been completely underscored.