

**H. B. 2903**

(By Delegates Byrd, Skinner, Fleischauer, Manchin, Miley,  
Sobonya, Summers, Weld, B. White, Rowe and Guthrie)

[Introduced February 24, 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 §11-21-23a, relating to providing a tax credit for first time home buyers; establishing eligibility criteria; and setting a maximum credit.

*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 §11-21-23a, to read as follows:

**ARTICLE 21. PERSONAL INCOME TAX.**

**§11-21-23a. Credit for first time home buyers; criteria.**

(a) For the tax years beginning on or after January 1, 2016, a first time home buyer of a principal residence is allowed a refundable credit against the taxes imposed by this article equal to the amount of ten percent of the purchase price of a principal residence, up to a maximum credit of \$5,000 and subject to the conditions set forth in this section.

(b) The credit permitted by this section applies to a principal residence purchased by a taxpayer on or after April 9, 2016, and before May 1, 2020. However, the credit is also available if

1 the taxpayer enters into a written binding contract before May 1, 2020, and closes on the purchase  
2 before July 1, 2020.

3 (c) A first time home buyer is, for the purposes of this section, an individual who has not had  
4 an ownership interest in a principal residence for the five years preceding the purchase of a residence  
5 for which he or she seeks this credit.

6 (d) Married taxpayers who are first time home buyers who file separate returns are eligible  
7 for a maximum tax credit of \$2,500.

8 (e) If two or more individuals who are not married purchase a principal residence, the amount  
9 of the credit allowed under subsection (a) of this section shall be allocated among those individuals  
10 on a pro rata basis, not to exceed the \$5,000 limit.

11 (f) No credit is allowed under subsection (a) of this section for a residence whose purchase  
12 price exceeds \$800,000.

NOTE: The purpose of this bill is to provide a tax credit for first time home buyers. The bill establishes eligibility criteria and sets a maximum credit of \$5,000.

This section is new; therefore, it has been completely underscored.