

WEST VIRGINIA LEGISLATURE
2016 FIRST EXTRAORDINARY SESSION

Introduced

House Bill 127

**FISCAL
NOTE**

BY DELEGATES MARCUM, RODIGHIERO, ELDRIDGE,
LYNCH, HICKS, MOORE, BOGGS, FERRO, CAPUTO,
GUTHRIE AND PUSHKIN

[Introduced June 14, 2016; referred to the committee
on Finance.]

1 A BILL to amend and reenact §11-21-4e of the Code of West Virginia, 1931, as amended, relating
 2 to increasing personal income tax rates for taxpayers earning income over a certain
 3 amount.

Be it enacted by the Legislature of West Virginia:

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

ARTICLE 21. PERSONAL INCOME TAX.

§11-21-4e. Rate of tax -- Taxable years beginning on or after January 1, 1987.

1 (a) *Rate of tax on individuals (except married individuals filing separate returns),*
 2 *individuals filing joint returns, heads of households, estates and trusts.* -- The tax imposed by
 3 section three of this article on the West Virginia taxable income of every individual (except married
 4 individuals filing separate returns); every individual who is a head of a household in the
 5 determination of his or her federal income tax for the taxable year; every husband and wife who
 6 file a joint return under this article; every individual who is entitled to file his or her federal income
 7 tax return for the taxable year as a surviving spouse; and every estate and trust shall be
 8 determined in accordance with the following table:

9	If the West Virginia	The tax is:
10	taxable income is:	
11		
12	Not over \$10,000	3% of the taxable income
13		
14	Over \$10,000 but not	\$300.00 plus 4% of excess
15	over \$25,000	over \$10,000
16		
17	Over \$25,000 but not	\$900.00 plus 4.5% of excess
18	over \$40,000	over \$25,000
19		
20	Over \$40,000 but not	\$1,575.00 plus 6% of excess
21	over \$60,000	over \$40,000
22		
23	Over \$60,000 <u>but</u>	\$2,775.00 plus 6.5% of excess
24	<u>not over \$150,000</u>	<u>over \$60,000</u>
25		
26	<u>Over \$150,000 but</u>	<u>\$2,775.00 plus 6.5% of excess</u>
27	<u>not over \$250,000</u>	<u>over \$60,000</u>

28
 29 Over \$500,000 \$2,775.00 plus 9.5% of excess
 30 over \$60,000.
 31

32 (b) *Rate of tax on married individuals filing separate returns.* -- In the case of husband and
 33 wife filing separate returns under this article for the taxable year, the tax imposed by section three
 34 of this article on the West Virginia taxable income of each spouse shall be determined in
 35 accordance with the following table:

36 If the West Virginia 37 taxable income is: 38	The tax is:
39 Not over \$5,000	3% of the taxable income
40	
41 Over \$5,000 but not 42 over \$12,500	\$150.00 plus 4% of excess over \$5,000
43	
44 Over \$12,500 but not 45 over \$20,000	\$450.00 plus 4.5% of excess over \$12,500
46	
47 Over \$20,000 but not 48 over \$30,000	\$787.50 plus 6% of excess over \$20,000
49	
50 Over \$30,000 <u>but</u> 51 <u>not over \$150,000</u>	\$1,387.50 plus 6.5% of excess over \$30,000
52	
53 <u>Over \$150,000 but</u> 54 <u>not over \$250,000</u>	<u>\$1,387.50 plus 6.5% of excess</u> <u>\$60,000</u>
55	
56 <u>Over \$500,000</u>	<u>\$2,775.00 plus 9.5% of excess</u> <u>over \$60,000.</u>
57	
58	

59 (c) *Applicability of this section.* -- The provisions of this section, as amended by this act,
 60 shall be applicable in determining the rate of tax imposed by this article for all taxable years
 61 beginning after December 31, 1986, and shall be in lieu of the rates of tax specified in section
 62 four-d of this article.

NOTE: The purpose of this bill is to personal income tax rates for taxpayers earning income over a certain amount.

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