

WEST VIRGINIA LEGISLATURE

2016 REGULAR SESSION

Introduced

House Bill 2176

FISCAL
NOTE

2015 Carryover

(BY DELEGATES, MARCUM, R. PHILLIPS, CAMPBELL,
ARVON, HARTMAN, J. NELSON, REYNOLDS, ELDRIDGE,
MOFFATT AND PERDUE)

[Introduced January 13, 2016; referred to the
Committee on Small Business, Entrepreneurship and
Economic Development then Finance.]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,
 2 designated §11-24-22b, relating to creating a tax credit for certain businesses that locate
 3 within a twenty-mile radius of a Hatfield-McCoy recreation area trail head and in the same
 4 county of that trail head; establishing variable amounts of credit; providing that the credit
 5 lasts for ten years; defining a term; and providing rule-making authority.

Be it enacted by the Legislature of West Virginia:

1 That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new
 2 section, designated §11-24-22b, to read as follows:

ARTICLE 24. CORPORATION NET INCOME TAX.

§11-24-22b. Tax credit for businesses located near the Hatfield-McCoy recreation area.

1 (a) Effective for taxable years beginning July 1, 2015, notwithstanding any provisions of
 2 this code to the contrary, any new business located within a twenty-mile radius of a trail head
 3 center associated with the Hatfield-McCoy recreation area, and in the same county as that trail
 4 head, that is engaged in providing goods or services used primarily for the benefit of visitors to
 5 and users of the recreation area is allowed a credit against the tax imposed by this article for a
 6 period of ten years from the date the business becomes subject to this article. Examples of
 7 businesses eligible for the credit include, but are not limited to, hotels, restaurants, grocery stores
 8 and outfitters.

9 (b) For purposes of this section, the allowable tax credit is as follows:

10 (1) Businesses that employ up to five full-time, new employees are allowed a tax credit of
 11 \$10,000;

12 (2) Businesses that employ between six and twelve full-time, new employees are allowed
 13 a tax credit of \$20,000;

14 (3) Businesses that employ between thirteen and twenty-five full-time, new employees are

15 allowed a tax credit of \$25,000;

16 (4) Businesses that employ between twenty-six and fifty full-time, new employees are
17 allowed a tax credit of \$30,000; and

18 (5) Businesses that employ more than fifty full-time, new employees are allowed a tax
19 credit of \$35,000.

20 (c) For purposes of this section, "full-time employee" means an individual who works a
21 minimum of thirty-five hours per week.

22 (d) The Tax Commissioner may propose rules for promulgation in accordance with article
23 three, chapter twenty-nine-a of this code as necessary to effectuate the purposes of this article.

NOTE: The purpose of this bill is to creating a tax credit for certain businesses that locate within a twenty mile radius of a Hatfield-McCoy recreation area trail head and in the same county as that trail head. The bill establishes variable amounts of the credit. The bill provides that the credit lasts for ten years. The bill defines a term. The bill provides rule-making authority.

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