

# WEST VIRGINIA LEGISLATURE

## 2016 REGULAR SESSION

Introduced

### House Bill 2570

FISCAL  
NOTE

2015 Carryover

(BY DELEGATE WALTERS)

[Introduced January 13, 2016; referred to the  
Committee on Finance.]

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

*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 §11-13C-17; and that said code be amended by adding thereto a new section,  
 3 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.**

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

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

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

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

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

1 (a) Capital expenditures means funds used by a company to acquire or upgrade physical  
 2 assets such as property, industrial buildings or equipment including, but not limited to, repairing

3 a roof, building a new factory or purchasing new computers.

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

6 (c) A corporation must apply the tax deduction to the tax year in which the capital  
7 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.