

WEST VIRGINIA LEGISLATURE

2016 REGULAR SESSION

Introduced

House Bill 4333

**FISCAL
NOTE**

BY DELEGATES SHOTT, HOWELL, MILLER, ELLINGTON,

GEARHEART, HAMRICK, CADLE AND BUTLER

[Introduced January 29, 2016; Referred
to the Committee on Roads and Transportation then
Finance.]

1 A BILL to amend and reenact §11-1C-5 of the Code of West Virginia, 1931, as amended; and to
 2 amend said code by adding thereto a new section, designated §11-1C-5c, all relating to
 3 assessment value of certain motor vehicles for purposes of ad valorem property taxes;
 4 providing that the minimum assessed value of a motor vehicle is \$700 for purposes of ad
 5 valorem property taxes; and providing that the assessed value of an antique motor vehicle
 6 is \$5,000 for purposes of ad valorem property taxes.

Be it enacted by the Legislature of West Virginia:

1 That §11-1C-5 of the Code of West Virginia, 1931, as amended, be amended and
 2 reenacted; and that said code be amended by adding thereto a new section, designated §11-1C-
 3 5c, all to read as follows:

ARTICLE 1C. FAIR AND EQUITABLE PROPERTY VALUATION.

§11-1C-5. Tax commissioner powers and duties.

1 (a) In addition to the powers and duties of the Tax Commissioner in other provisions of
 2 this article and this code, the Tax Commissioner shall have the power and duty to:

3 (1) Perform such duties and exercise such powers as may be necessary to accomplish
 4 the purposes of this article;

5 (2) Determine the methods of valuation for both real and personal property in accordance
 6 with the following:

7 (A) As to personal property, the Tax Commissioner shall provide a method to appraise
 8 each major species of personal property in the state so that all such items of personal property
 9 are valued in the same manner no matter where situated in the state, shall transmit these methods
 10 to each county assessor who shall use these methods to value the various species of personal
 11 property. The Tax Commissioner shall periodically conduct such studies as are necessary to
 12 determine that such methods are being followed. Such method shall be in accordance with the
 13 provisions of article five of this chapter: *Provided*, That notwithstanding any other provision of this
 14 code to the contrary, the several county assessors shall appraise motor vehicles as follows: The

15 State Tax Commissioner shall annually compile a schedule of automobile values based upon the
16 lowest values shown in a nationally accepted used car guide, which said schedule shall be
17 furnished to each assessor and shall be used by the several county assessors to determine the
18 assessed value for all motor vehicles in an amount equal to sixty percent of said lowest values,
19 or sixty percent of \$700; whichever is higher.

20 (B) As to managed timberland as defined in section two of this article, the Tax
21 Commissioner shall provide a method to appraise such property in the state so that all such
22 property is valued in the same manner no matter where it is situated in the state, which shall be
23 a valuation based on its use and productive potential as managed timberland, which may be
24 accorded special valuation as forestlands as authorized by section fifty-three, article six of the
25 Constitution of West Virginia: *Provided*, That timberland that does not qualify for identification as
26 managed timberland shall be valued at market value: *Provided, however*, That the Tax
27 Commissioner may not implement any rules or regulations in title one hundred ten, which relate
28 to valuation or classification of timberland: *Provided further*, That on or before October 1, 1990,
29 the Tax Commissioner shall, in accordance with chapter twenty-nine-a of this code, promulgate
30 new rules relating to the valuation and classification of timberland.

31 (C) As to farmland used, occupied and cultivated by an owner or bona fide tenant, the Tax
32 Commissioner shall provide a method to appraise such property in the state so that all such
33 property is valued in the same manner no matter where it is situated in the state, which valuation
34 shall be arrived at according to the fair and reasonable value of the property for the purpose for
35 which it is actually used regardless of what the value of the property would be if used for some
36 other purpose, in accordance with section one, article three of this chapter and as authorized by
37 subsection B, section one-b, article X of the Constitution of West Virginia.

38 (D) As to public utility property, the Tax Commissioner shall prescribe appropriate methods
39 for the appraisal of the various types of property subject to taxation as public utilities and the types
40 of property which are to be included in the operating property of a public utility and thereby not

41 subject to taxation by the county assessor. Only parcels or other property, or portions thereof,
42 which are an integral part of the public utility's function as a utility shall be included as operating
43 property and assessed by the board of public works under provisions of article six of this chapter;

44 (3) Evaluate the performance of each assessor based upon the criteria established by the
45 commission and each county's approved plan and take appropriate measures to require any
46 assessor who does not meet these criteria or adequately carry out the provisions of the plan to
47 correct any deficiencies. Such evaluation shall include the periodic review of the progress of each
48 assessor in conducting the appraisals required in sections seven and nine of this article and in
49 following the approved valuation plan. If the Tax Commissioner determines that an assessor has
50 substantially failed to perform the duties required by said sections, the Tax Commissioner shall
51 take all necessary steps, including the appointment of one or more special assessors in
52 accordance with the provisions of section one, article three of this chapter, or utilize such other
53 authority as the commissioner has over county assessors pursuant to other provisions of this
54 code as may be necessary to complete the tasks and duties imposed by this article: Provided,
55 That a writ of mandamus shall be the appropriate remedy if the Tax Commissioner fails to perform
56 his or her statutory duty provided for in section five, article one of this chapter.

57 (4) Submit to the Legislature, on or before February 15 of each year, a preliminary
58 statewide aggregate tax revenue projection and other information which shall assist the
59 Legislature in its deliberations regarding county board of education levy rates pursuant to section
60 six-f, article eight of this chapter, which information shall include any amount of reduction required
61 by said section six-f;

62 (5) Maintain the valuations each year by making or causing to be made such surveys,
63 examinations, audits and investigations of the value of the several classes of property in each
64 county which should be listed and taxed under the several classifications; and

65 (6) Establish by uniform rules a procedure for the sale of computer generated material and
66 appraisal manuals. Any funds received as a result of the sale of such reproductions shall be

67 deposited to the appropriate account from which the payment for reproduction is made.

68 (b) The Tax Commissioner may adopt any regulation adopted prior to January 1, 1990,
69 pursuant to article one-a of this chapter, which adoption shall not constitute an implementation of
70 the statewide mass reappraisal of property. Such adoption, including context modifications made
71 necessary by the enactment of this article, shall occur on or before July 1, 1991, through inclusion
72 in the plan required by section ten of this article or inclusion in the minute record of the valuation
73 commission. Upon the adoption of any such regulations, any modification or repeal of such
74 regulation shall be in accordance with the provisions of article three, chapter twenty-nine-a of this
75 code.

§11-1C-5c. Antique motor vehicle valuation for personal property tax purposes.

1 Notwithstanding any other provision of this code to the contrary, any vehicle that is
2 registered as an antique motor vehicle as defined in section three-a, article ten, chapter
3 seventeen-a of this code and that is not used for general transportation shall be assigned an
4 assessed value not to exceed \$5,000 for purposes of ad valorem property taxes.

NOTE: The purpose of this bill is to establish assessed values for certain motor vehicles.

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