

# WEST VIRGINIA LEGISLATURE

## 2016 REGULAR SESSION

Introduced

### House Bill 4691

FISCAL  
NOTE

BY DELEGATES MANCHIN, MORGAN, FLEISCHAUER,  
REYNOLDS, CAPUTO, BOGGS, PERRY, PERDUE, BATES,  
SKINNER AND SPONAUGLE

[Introduced February 23, 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 §11-21-4g, relating to establishing two new tax brackets for personal income  
3 tax for persons making more than \$500,000 and \$1,000,000 each tax year.

*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 §11-21-4g, to read as follows:

**ARTICLE 21. PERSONAL INCOME TAX.**

**§11-21-4g. Rate of tax -- Taxable years beginning on or after January 1, 2017.**

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:

The West Virginia

taxable income is:..... The tax is:

Not over \$10,000..... 3% of the taxable income

Over \$10,000 but not..... \$300.00 plus 4% of excess

over \$25,000..... over \$10,000

Over \$25,000 but not..... \$900.00 plus 4.5% of excess

over \$40,000..... over \$25,000

Over \$40,000 but not..... \$1,575.00 plus 6% of excess

over \$60,000..... over \$40,000

Over \$60,000..... \$2,775.00 plus 6.5% of excess

19 ..... over \$60,000  
 20 Over \$500,000..... \$31,375 plus 9% of  
 21 ..... excess over \$500,000  
 22 Over \$1,000,000..... \$76,375 plus 10% of  
 23 ..... excess over \$1,000,000

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

28 If the West Virginia  
 29 taxable income is:..... The tax is:  
 30 Not over \$5,000..... 3% of the taxable income  
 31 Over \$5,000 but not..... \$150.00 plus 4% of excess  
 32 over \$12,500 ..... over \$5,000  
 33 Over \$12,500 but not..... \$450.00 plus 4.5% of  
 34 over \$20,000 ..... excess over \$12,500  
 35 Over \$20,000 but not..... \$787.50 plus 6% of excess  
 36 over \$30,000 ..... over \$20,000  
 37 Over \$30,000..... \$1,387.50 plus 6.5% of  
 38 ..... excess over \$30,000  
 39 Over \$500,000..... \$31,937.50 plus 9% of  
 40 ..... excess over \$500,000  
 41 Over \$1,000,000..... \$76,647.50 plus 10% of  
 42 ..... excess over \$1,000,000

43 (c) Applicability of this section. -- The provisions of this section, as amended by this act,  
 44 shall be applicable in determining the rate of tax imposed by this article for all taxable years

- 45 beginning after December 31, 2016, and shall be in lieu of the rates of tax specified in section  
46 four-e of this article.

NOTE: The purpose of this bill is to establish two new tax brackets for personal income tax in West Virginia for persons whose income tax in West Virginia exceeds \$500,000 and \$1,000,000.

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