

WEST VIRGINIA LEGISLATURE

2017 REGULAR SESSION

Introduced

House Bill 2122

BY DELEGATES BYRD AND FLEISCHAUER

[Introduced February 8, 2017; 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 §11-21-23a, relating to providing a tax credit for first time home buyers;
3 establishing eligibility criteria; and setting a maximum credit.

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 §11-21-23a, to read as follows:

ARTICLE 21. PERSONAL INCOME TAX.

§11-21-23a. Credit for first time home buyers; criteria.

1 (a) For the tax years beginning on or after January 1, 2018, a first time home buyer of a
2 principal residence is allowed a refundable credit against the taxes imposed by this article equal
3 to the amount of ten percent of the purchase price of a principal residence, up to a maximum
4 credit of \$5,000 and subject to the conditions set forth in this section.

5 (b) The credit permitted by this section applies to a principal residence purchased by a
6 taxpayer on or after April 9, 2018, and before May 1, 2022. However, the credit is also available
7 if the taxpayer enters into a written binding contract before May 1, 2022, and closes on the
8 purchase before July 1, 2022.

9 (c) A first time home buyer is, for the purposes of this section, an individual who has not
10 had an ownership interest in a principal residence for the five years preceding the purchase of a
11 residence for which he or she seeks this credit.

12 (d) Married taxpayers who are first time home buyers who file separate returns are eligible
13 for a maximum tax credit of \$2,500.

14 (e) If two or more individuals who are not married purchase a principal residence, the
15 amount of the credit allowed under subsection (a) of this section shall be allocated among those
16 individuals on a pro rata basis, not to exceed the \$5,000 limit.

17 (f) No credit is allowed under subsection (a) of this section for a residence whose purchase

18 price exceeds \$800,000.

NOTE: The purpose of this bill is to provide a tax credit for first time home buyers. The bill establishes eligibility criteria and sets a maximum credit of \$5,000.

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