

WEST VIRGINIA LEGISLATURE

2017 REGULAR SESSION

Introduced

House Bill 2545

**FISCAL
NOTE**

BY DELEGATES STORCH, GEARHEART, HOUSEHOLDER,

ELLINGTON, SHOTT, WARD, MILLER C., HOWELL,

ESPINOSA, ZATEZALO AND O'NEAL

[Introduced February 20, 2017; Referred

to the Committee on Finance.]

1 A BILL to amend and reenact §11-24-23a of the Code of West Virginia, 1931, as amended,
 2 relating to increasing the allowable corporation net income tax credit for qualified
 3 rehabilitated buildings investments; providing that the taxpayer may not combine this
 4 credit with the one for consumers sales and service tax, but may elect the greater credit;
 5 and requiring that the taxpayer not be in arrears in any state taxes or have a lien on
 6 certified historic structures.

Be it enacted by the Legislature of West Virginia:

1 That §11-24-23a of the Code of West Virginia, 1931, as amended, be amended and
 2 reenacted to read as follows:

ARTICLE 24. CORPORATION NET INCOME TAX.

§11-24-23a. Credit for qualified rehabilitated buildings investment.

1 A credit against the tax imposed by the provisions of this article shall be allowed as follows:
 2 Certified historic structures. – For certified historic structures, the credit is equal to ten
 3 percent of qualified rehabilitation expenditures as defined in §47(c)(2), Title 26 of the United
 4 States Code, as amended: Provided, That for qualified rehabilitation expenditures made after
 5 June 30, 2017, the credit allowed by this section is equal to twenty-five percent of the qualified
 6 rehabilitation expenditure: Provided, however, That the taxpayer may not receive both the credit
 7 in this section and the credit for consumers sales and service tax in section twenty-three of this
 8 article, but may elect to receive the credit that is greater: Provided further, That the taxpayer may
 9 not be entitled to this credit if the taxpayer is in arrears in any tax imposed by this code: And
 10 provided further, That there are no liens on the certified historic structures. The Tax Commissioner
 11 shall prescribe forms and instructions for the information required in order to provide proof that
 12 taxes are not in arrears and that there are no liens on the certified historic structures. This credit
 13 is available for both residential and nonresidential buildings located in this state that are reviewed
 14 by the West Virginia Division of Culture and History and designated by the national park service,
 15 United States department of the interior as "certified historic building", and further defined as a

- 16 "qualified rehabilitated building", as defined under §47(c)(1), Title 26, of the United States Code,
17 as amended.

NOTE: The purpose of this bill is to increase the allowable corporation net income tax credit for qualified rehabilitated buildings investments made after June 30, 2017, from 10% to 25%. The bill also provides that the taxpayer may not combine this credit with the credit for consumers sales and service tax, but may elect the greater credit. The bill requires that the taxpayer not be in arrears in any state taxes or have a lien on the certified historic structures.

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