

WEST VIRGINIA LEGISLATURE

2017 REGULAR SESSION

Introduced

Senate Bill 565

FISCAL
NOTE

BY SENATORS GAUNCH, PALUMBO, TAKUBO, STOLLINGS

AND JEFFRIES

[Introduced March 9, 2017; Referred
to the Committee on Finance]

1 A BILL to amend and reenact §8-38-9 of the Code of West Virginia, 1931, as amended, relating
 2 to the Legislature’s authorizing the City of South Charleston to levy a special district excise
 3 tax for the benefit of the South Charleston Park Place Economic Opportunity Development
 4 District.

Be it enacted by the Legislature of West Virginia:

1 That §8-38-9 of the Code of West Virginia, 1931, as amended, be amended and reenacted
 2 to read as follows:

ARTICLE 38. ECONOMIC OPPORTUNITY DEVELOPMENT DISTRICTS.

§8-38-9. Authorization to levy special district excise tax.

1 (a) *General.* -- Municipalities have no inherent authority to levy taxes and have only that
 2 authority expressly granted to them by the Legislature. The Legislature is specifically extended,
 3 and intends by this article to exercise certain relevant powers expressed in section six-a, article
 4 X of the Constitution of this state as follows: (1) The Legislature may appropriate state funds for
 5 use in matching or maximizing grants-in-aid for public purposes from the United States or any
 6 department, bureau, commission or agency thereof, or any other source, to any county,
 7 municipality or other political subdivision of the state, under such circumstances and subject to
 8 such terms, conditions and restrictions as the Legislature may prescribe by law; and (2) the
 9 Legislature may impose a state tax or taxes or dedicate a state tax or taxes or any portion thereof
 10 for the benefit of and use by counties, municipalities or other political subdivisions of the state for
 11 public purposes, the proceeds of any such imposed or dedicated tax or taxes or portion thereof
 12 to be distributed to such counties, municipalities or other political subdivisions of the state under
 13 such circumstances and subject to such terms, conditions and restrictions as the Legislature may
 14 prescribe.

15 Because a special district excise tax would have the effect of diverting, for a specified
 16 period of years, tax dollars which to the extent, if any, are not essentially incremental to tax dollars
 17 currently paid into the General Revenue Fund of the state, the Legislature finds that in order to

18 substantially ensure that such special district excise taxes will not adversely impact the current
19 level of the General Revenue Fund of the state, it is necessary for the Legislature to separately
20 consider and act upon each and every economic development district which is proposed,
21 including the unique characteristics of location, current condition and activity of and within the
22 area included in such proposed economic opportunity development district and that for such
23 reasons a statute more general in ultimate application is not feasible for accomplishment of the
24 intention and purpose of the Legislature in enacting this article. Therefore, no economic
25 opportunity development district excise tax may be levied by a municipality until after the
26 Legislature expressly authorizes the municipality to levy a special district excise tax on sales of
27 tangible personal property and services made within district boundaries approved by the
28 Legislature.

29 (b) *Authorizations.* -- The Legislature authorizes the following ~~municipalities~~ municipality
30 to levy special district excise taxes on sales of tangible personal property and services made from
31 business locations in the following economic opportunity development ~~districts~~ district: The City
32 of South Charleston may levy a special district excise tax for the benefit of the South Charleston
33 Park Place Economic Opportunity Development District which comprises approximately three
34 thousand one hundred contiguous acres of land.

NOTE: The purpose of this bill is to authorize the City of South Charleston to levy a special district excise tax for the benefit of the South Charleston Park Place Economic Opportunity Development District.

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