

WEST VIRGINIA LEGISLATURE

2022 REGULAR SESSION

Introduced

House Bill 4092

FISCAL
NOTE

BY DELEGATES KEATON, BARNHART, HAYNES,
BURKHAMMER, HOLSTEIN, DEAN, WAMSLEY, CLARK,
PINSON, REYNOLDS, AND LINVILLE

[Introduced January 14, 2022; Referred to the
Committee on Energy and Manufacturing then the
Judiciary]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new article,
 2 designated §11-6M-1, §11-6M-2, §11-6M-3, §11-6M-4, and §11-6M-5, all relating to
 3 establishing the Rare Earth Property Tax Industrial Development Act; providing for
 4 definitions; creating valuation of certain rare earth business personal property; creating an
 5 initial determination with a process for protest and appeal; and creating an effective date.

Be it enacted by the Legislature of West Virginia:

ARTICLE 6M. RARE EARTH PROPERTY TAX INDUSTRIAL DEVELOPMENT ACT.

§11-6M-1. Short title.

1 This article shall be known and cited as the Rare Earth Property Tax Industrial
 2 Development Act.

§11-6M-2. Definitions.

1 For the purposes of this article:

2 (1) "Rare earth business personal property" means business personal property used in
 3 the extraction or refinement of Aluminum (bauxite), antimony, arsenic, barite, beryllium, bismuth,
 4 cesium, chromium, cobalt, fluorspar, gallium, germanium, graphite (natural), hafnium, helium,
 5 indium, lithium, magnesium, manganese, niobium, platinum group metals, potash, the rare earth
 6 elements group, rhenium, rubidium, scandium, strontium, tantalum, tellurium, tin, titanium,
 7 tungsten, uranium, vanadium, zirconium, lanthanum, cerium, praseodymium, neodymium,
 8 promethium, samarium, europium, gadolinium, terbium, dysprosium, holmium, erbium, thulium,
 9 ytterbium, and lutetium.

10 (2) "Salvage value" means five percent of original cost.

§11-6M-3. Valuation of certain rare earth business personal property.

1 Notwithstanding any other provision of this code to the contrary, the value of rare earth
 2 business personal property shall be its salvage value.

§11-6M-4. Initial determination; protest and appeal.

1 The valuation and assessment of any rare earth business personal property subject to this

2 article, including the process of protest and appeal from any such valuation, shall be conducted
3 in the manner set forth and more fully described in §11-6-1 et seq. of this code and any applicable
4 rules: *Provided*, That with respect to any rare earth business personal property that is subject to
5 this article but is not property of a business subject to the provisions of §11-6-1 et seq. of this
6 code, the valuation and assessment of such rare earth business personal property, including the
7 process of protest and appeal from any such valuation, shall be conducted in the manner set forth
8 in §11-3-1 et seq. of this code.

§11-6M-5. Effective date.

1 This article is effective on and after July 1, 2022.

NOTE: The purpose of this bill is to provide property tax relief to rare earth industries. The bill is to be titled "Rare Earth Property Tax Industrial Development Act." The bill provides for definitions. The bill creates valuation of certain rare earth business personal property. The bill creates an initial determination with a process for protest and appeal. Finally, the bill creates an effective date.

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