

# WEST VIRGINIA LEGISLATURE

## 2023 REGULAR SESSION

Introduced

### House Bill 3169

FISCAL  
NOTE

By Delegates Howell, Clark, Hornby, Thorne, Ferrell,

Jeffries, W. Hall and Storch

[Introduced January 31, 2023; Referred to the

Committee on Economic Development and Tourism

then Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new article,  
 2 designated §11-13MM-1, §11-13MM-2, §11-13MM-3, and §11-13MM-4; and to amend said  
 3 by adding thereto a new section designated §17-16A-29a; all relating to creating a  
 4 Distribution Center Refundable Toll Payments Tax Credit Act; providing for use of RFID  
 5 Tag Reader or comparable systems at qualified distribution centers to compile toll  
 6 payments refundable as a tax credit; creating rules; and providing for an effective date.

*Be it enacted by the Legislature of West Virginia:*

**CHAPTER 11. TAXATION.**

**ARTICLE 13MM. DISTRIBUTION CENTER REFUNDABLE TOLL PAYMENTS TAX**

**CREDIT.**

**§11-13MM-1. Short Title.**

1 This article may be cited as the "Distribution Center Refundable Toll Payments Tax Credit  
 2 Act".

**§11-13MM-2. Distribution Center Refundable Toll Payments Tax Credit.**

1 (a) Credit allowed. – There shall be allowed to every business that operates a distribution  
 2 center in West Virginia transporting product or inventory that are finished and packaged goods for  
 3 retail sale, a Refundable Toll Payments tax credit for the taxable year 2023 and continuing for tax  
 4 years thereafter. Distribution centers shall receive a 100 percent tax credit for toll payments made  
 5 within the West Virginia EZ Pass system registered by RFID Tag Reader or comparable tracking  
 6 system by qualified distribution centers solely for West Virginia EZ Pass system tolls paid for  
 7 ground transportation of product or inventory that are finished and packaged goods for retail sale  
 8 originating from the qualified West Virginia distribution center and ground transport returning to the  
 9 same qualified West Virginia distribution center after completion of deliveries.

**§11-13MM-3. Rules.**

1 The State Tax Department and the West Virginia Parkways Authority may promulgate rules

2 in accordance with §29A-3-1 et seq. of this code to carry out the policy and purposes of this article,  
 3 to provide any necessary clarification of the provisions of this article and to efficiently provide for  
 4 the general administration of this article.

**§11-13MM-4. Effective date.**

1 The provisions of this article will be treated as effective as of July 1, 2023, but apply to all  
 2 toll payments made within the West Virginia EZ Pass system in Tax Year 2023 as defined in this  
 3 article.

**CHAPTER 17. ROADS AND HIGHWAYS.**

**ARTICLE 16A. WEST VIRGINIA PARKWAYS AUTHORITY.**

**§17-16A-29a. Authorization of RFID Tag Reader or comparable systems by qualified**  
**distribution centers on West Virginia EZ Pass System.**

1 (a) The Parkways Authority is hereby authorized to allow for the use of RFID Tag Reader or  
 2 comparable systems at qualified distribution centers as defined in §11-13MM-1 et seq. of this code  
 3 in order to compile the amount of tax creditable toll payments made within the West Virginia EZ  
 4 Pass system: *Provided*, That tax creditable toll payments made within the West Virginia EZ Pass  
 5 system by qualified distribution centers may only be allowed for West Virginia EZ Pass system  
 6 tolls paid for ground transportation of product or inventory that are finished and packaged goods  
 7 for retail sale. A tax credit is granted equal to 100 percent of the West Virginia Parkways tolls paid  
 8 by the qualified distribution center for all ground transport shipments of its products or inventory  
 9 that are finished and packaged goods for retail sale originating from the qualified West Virginia  
 10 distribution center, registered by RFID Tag Reader or comparable system, and for ground  
 11 transport returning to the same qualified West Virginia distribution or manufacturing center after  
 12 completion of deliveries also registered by RFID Tag Reader or comparable system.

13 (b) The provisions of this article will be treated as effective as of July 1, 2023 and apply only  
 14 to RFID Tag Reader or comparable systems at qualified distribution centers as defined in §11-

15 13MM-1 et seq. of this code in operation on or after that date.

16 (c) For purposes of this section, a "RFID Tag Reader or comparable systems" means a  
17 device issued by, or authorized by and registered with, the Parkways Authority which allows  
18 qualified distribution centers as defined in §11-13MM-1 et seq. of this code to compile the amount  
19 of tax creditable toll payments made travelling through Parkways Authority toll facilities within the  
20 West Virginia EZ Pass system trucking only for shipments of product or inventory finished and  
21 packaged for retail sale originating from a qualified West Virginia distribution center and trucking  
22 returning to a qualified West Virginia distribution center.

NOTE: The purpose of this bill is to establish the Distribution Center Refundable Toll Payments Tax Credit through use of RFID Tag Reader systems at qualified distribution and manufacturing center to compile refundable toll payments. The bill allows the promulgation of administrative rules. Finally, the bill provides for 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.