WEST virginia legislature

**FISCAL NOTE**

2023 regular session

Introduced

House Bill 3544

By Delegates Dittman, Howell, Thorne, A. Hall and Skaff

[Introduced February 14, 2023; Referred to the Committee on Economic Development and Tourism then Finance]

A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new article, designated §11-13MM-1, §11-13MM-2, §11-13MM-3, §11-13MM-4, and §11-13MM-5, all relating to providing an income tax credit for lessors of real property leased to the state or other subdivision for recreational purposes.

Be it enacted by the Legislature of West Virginia:

ARTICLE 13MM. WEST VIRGINIA LESSOR OF REAL PROPERTY TO STATE OF OR OTHER SUBDIVISIONS FOR RECREATIONAL PURPOSES INCOME TAX CREDIT.

§11-13MM-1. Definitions.

As used in this article:

"Eligible landowner means any landowner who has paid in full the real property taxes due annually pursuant to §11A-1-1 *et seq*. of this code, for land on which the landowner has granted a lease, easement, or license of that land or portion of that land to the state or any agency thereof, or any county or municipality or agency thereof, for recreational purposes as defined in §19-25-5 of this code.

§11-13MM-2. Definitions.

(a) There is allowed to eligible landowners in this state a nonrefundable annual credit against taxes imposed by §11-21-1 *et seq*. of this code in the amount set forth in subsection (b) of this section.

(b) The amount of the tax credit is equal to the amount paid annually by the eligible landowner as defined in this article. If both taxpayers filing a joint tax return are eligible for this credit authorized by this article, the amount of the credit is not to exceed the amount of real property tax paid by both taxpayers.

(c) If the amount of the credit authorized by this article is unused in any tax year, it may not be applied to any other tax year.

§11-13MM-3. Qualification for credit.

(a) To be an eligible landowner under §11-13MM-2 of this code, he or she shall have paid

in full the annual real property taxes due on land on which the landowner has granted a lease, easement, or license of that land or portion of that land to the state or any agency thereof, or any county or municipality or agency thereof, for recreational purposes as defined in §19-25-5 of this code.

(b) To claim the tax credit, an eligible landowner shall submit proof of payment of real property taxes showing the dollar amount paid and the property information and a copy of the executed applicable lease, easement, or license of land or potion of land on which the real property taxes have been paid.

§11-13MM-4. Legislative rules.

(a) The Tax Commissioner may propose rules for legislative approval in accordance with

the provision of §29A-3-1 *et seq*. of this code as may be necessary to carry out the purposes of this article.

(b) The commission may propose rules for legislative approval in accordance with the provisions of §29A-3-1 *et seq*. of this code as may be necessary to carry out the purposes of this article.

§11-13MM-5. Effective Date.

The credit allowed by this article shall be allowed for qualifying landowners after December 31, 2023.

NOTE: The purpose of this bill is to provide an income tax credit in the amount of real property taxes paid on real property that is being leased for recreational purposes to the state or other subdivisions.

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