

WEST VIRGINIA LEGISLATURE

2024 REGULAR SESSION

Introduced

House Bill 4512

FISCAL
NOTE

By Delegate Hornbuckle

[Introduced January 10, 2024 ; Referred
to the Committee on Workforce Development then
Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,
 2 designated §11-21-98; and to amend said code by adding thereto a new section,
 3 designated §11-24-45, all relating to establishing personal or corporate income tax credit
 4 for businesses who hire, promote, and develop women and minorities into executive,
 5 professional, or administrative roles; findings; determination of eligibility for credit;
 6 providing for the amount of the credit; and providing for an effective date.

Be it enacted by the Legislature of West Virginia:

ARTICLE 21. PERSONAL INCOME TAX.

§11-21-98. Tax credit for hiring or promoting women or minorities into executive, administrative, or professional positions.

1 (a) The Legislature finds that individuals from widely varied backgrounds bring a broad
 2 range of skills and imaginative solutions to solving business problems. The Legislature also finds
 3 that encouraging women and minorities to reach leadership positions in business would
 4 strengthen the state's economy through fostering an inclusive culture and providing employment
 5 opportunities where diversity of thought is valued and welcomed.

6 (b) A credit of \$200 against personal income tax shall be granted to the owner or owners of
 7 a business that hires a woman or minority employee into, or who promotes an existing woman or
 8 minority employee into, an executive, administrative or professional position in the business as
 9 described in the United States Fair Labor Standards Act, 29 CFR Part 541.100 - 106; Part 541.200
 10 – 204 or Part 541.300 – 304: *Provided*, That the employee retains an executive, administrative, or
 11 professional position in the business for at least 12 months. The credit may be applied to personal
 12 income tax owed by the business owner over a two-year period following the period in which it was
 13 earned but may not be claimed if the business claims a similar credit against corporate income tax
 14 owed by the business.

15 (c) Eligibility for earning the tax credit begins July 1, 2024, but expires December 31, 2029.

16 (d) Upon application from a business owner or executive, the Commissioner of Labor shall

17 certify whether an employee qualifies the business or its owner to receive a credit offered by this
18 section and shall issue certification acceptable to the State Tax Commissioner.

ARTICLE 24. CORPORATION NET INCOME TAX.

§11-24-45. Tax credit for hiring or promoting women or minorities into executive, administrative or professional positions.

1 (a) The Legislature finds that individuals from widely varied backgrounds bring a broad
2 range of skills and imaginative solutions to solving business problems. The Legislature also finds
3 that encouraging women and minorities to reach leadership positions in business would
4 strengthen the state’s economy through fostering an inclusive culture and providing employment
5 opportunities where diversity of thought is valued and welcomed.

6 (b) A credit of \$200 against corporate income tax shall be granted to a corporation for each
7 new woman or minority employee the business hires into, or promotes from within, to an
8 executive, administrative or professional position in the business as described in the United States
9 Fair Labor Standards Act, 29 CFR Part 541.100 – 106, Part 541.200 – 204, or Part 541.300 – 304:
10 Provided, That the employee retains an executive, administrative or professional position in the
11 business for at least 12 months. The credit may be applied to income tax owed by the business
12 over a two-year period following the period in which it was earned.

13 (c) Eligibility for earning the tax credit begins July 1, 2024 and expires December 31, 2029.

14 (d) Upon application from a business owner or executive, the Commissioner of Labor shall
15 certify whether an employee qualifies the business to receive a credit offered by this section and
16 shall issue certification acceptable to the State Tax Commissioner.

NOTE: The purpose of this bill is to offer tax credit against either personal or corporate income taxes for hiring women or minorities into executive, administrative, or professional jobs.

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