

WEST VIRGINIA LEGISLATURE

2025 REGULAR SESSION

Introduced

Senate Bill 99

**FISCAL
NOTE**

By Senator Clements

[Introduced February 12, 2025; referred
to the Committee on Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding a new article,
2 designated §11-13NN-1, §11-13NN-2, §11-13NN-3, §11-13NN-4, §11-13NN-5, and §11-
3 13NN-6, relating to creating the Return to West Virginia Tax Credit Act; providing for a title,
4 findings, and purpose; providing for a nonrefundable credit against state personal income
5 taxes; providing a definition; providing for limitations and eligibility requirements of the
6 credit; authorizing legislative rule; authorizing the Tax Commissioner to create forms and
7 require documentation; providing for effective and expiration dates of the credit; and
8 requiring reporting.

Be it enacted by the Legislature of West Virginia:

ARTICLE 13NN. RETURN TO WEST VIRGINIA TAX CREDIT ACT.

§11-13NN-1. Short Title.

1 This article may be cited as the "Return to West Virginia Tax Credit Act."

§11-13NN-2. Findings and purpose.

1 The Legislature finds that it is an important public policy to encourage former West
2 Virginians to return home and seek employment in West Virginia. West Virginia is enjoying low
3 unemployment rates and seeks the return of West Virginians who have been gone because they,
4 or their family members, felt the need to pursue employment opportunities outside of the state. In
5 furtherance of its findings and as an incentive to return home and work in the state, the purpose of
6 this article is to create a nonrefundable credit against state personal income taxes.

§11-13NN-3. Amount and limitation of credit.

1 There is allowed to an eligible taxpayer a nonrefundable credit against taxes imposed by
2 §11-21-1 et seq. in the amount \$25,000. If the total amount of the credit authorized by this article is
3 not used in any tax year, the unused portion of the credit may be applied to a future tax year to
4 which this credit applies: *Provided*, That the total amount of the credit claimed by an eligible
5 taxpayer may not exceed \$25,000. No carryback to a prior taxable year is allowed for any unused
6 portion of the credit.

§11-13NN-4. Eligibility for credit; definition.

1 "Eligible taxpayer " as used in this article means an individual in this state who meets the
2 following criteria:

3 (1) The individual resided and was employed in West Virginia for a minimum of 10 years;
4 or the individual was born in West Virginia; and

5 (2) The individual has not been a resident of West Virginia for at least 10 consecutive years
6 preceding the year 2025; and

7 (3) The individual became a West Virginia resident again on or after January 1, 2025.

§11-13NN-5. Legislative rules; authority of the Tax Commissioner.

1 (a) The Tax Commissioner may propose rules for legislative approval in accordance with
2 the provisions of §29A-3-1 et seq. as may be necessary to carry out the purpose of this article.

3 (b) The Tax Commissioner may create forms and require the submission of documentation
4 from any taxpayer who claims entitlement to the credit authorized by this article in order to verify
5 such entitlement.

§11-13NN-6. Effective date and expiration of credit; reporting.

1 (a) The credit authorized in this article may be claimed after December 31, 2025.

2 (b) The credit authorized in this article shall expire and not be authorized or applied for any
3 taxable year after December 31, 2029.

4 (c) On or before July 1, 2025, and annually thereafter for as long as the credit authorized in
5 this article may be claimed, the Tax Commissioner shall provide an annual report in an electronic
6 format to the Joint Committee on Government and Finance setting forth details concerning the
7 utilization of the credit, including the number of taxpayers claiming the credit, the number of
8 taxpayers deemed eligible or ineligible by the Tax Commissioner to receive the credit, benefits
9 realized as a result of the credit, and the annual amount of the credit.

NOTE: The purpose of this bill is to provide for a nonrefundable \$25,000 tax credit against

state personal income taxes and encourage West Virginians to return to West Virginia to pursue employment opportunities.

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