

1 COMMITTEE SUBSTITUTE

2 FOR

3 **Senate Bill No. 537**

4 (By Senators Klempa, Yost and Browning)

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6 [Originating in the Committee on Economic Development;
7 reported February 23, 2011.]

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11 A BILL to amend the Code of West Virginia, 1931, as amended, by
12 adding thereto a new article, designated §11-13BB-1, §11-13BB-
13 2, §11-13BB-3 and §11-13BB-4, all relating to creating a tax
14 credit for businesses that properly compost trash and unused
15 food rather than use the normal means of dumping trash and
16 unused food into a noncomposting dumpster; providing for
17 eligibility of the credit; providing for the amount of the
18 credit; and authorizing the Tax Commissioner to promulgate
19 legislative rules to administer the tax credit.

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

21 That the Code of West Virginia, 1931, as amended, be amended
22 by adding thereto a new article, designated §11-13BB-1, §11-13BB-
23 2, §11-13BB-3 and §11-13BB-4, all to read as follows:

24 **ARTICLE 13BB. TAX CREDIT FOR COMPOSTING.**

25 **§11-13BB-1. Legislative findings and purpose.**

1 The Legislature finds that the encouragement of businesses to
2 compost certain types of garbage, landscape waste and food is in
3 the public interest and promotes a proenvironmental atmosphere in
4 the State of West Virginia. A tax credit for composting allows
5 businesses to reduce its environmental impact and provides a green
6 manner in which to dispose of its waste.

7 The Composting Tax Credit will also give money back to
8 businesses to reinvest and hire new employees.

9 **§11-13BB-2. Eligibility for tax credits; creation of the credit.**

10 (a) There is allowed to every eligible taxpayer a credit
11 against the taxes imposed in articles thirteen, twenty-one, twenty-
12 three, and twenty-four of this chapter. The amount of this credit
13 is determined and applied as provided in this article.

14 (b) To be eligible for the tax credit under this article a
15 business must contract with a commercial composting facility, as
16 defined in section two, article fifteen, chapter twenty-two of this
17 code to collect its compostable garbage, landscape waste and unused
18 food separate from traditional garbage for transportation to
19 composte such waste at such facility.

20 **§11-13BB-3. Amount of tax credit allowed; limit on total amount of**
21 **credit taken.**

22 The amount of annual credit allowable under this article to an
23 eligible taxpayer is fifty percent of the cost of contracting with
24 the commercial composting facility up to a maximum of \$2,000 per
25 year. This tax credit is applied to the tax year in which

1 composting was done and is not allowed to be carried over to future
2 tax years.

3 **§11-13BB-4. Promulgation of Rules.**

4 The tax commissioner in consultation with the Department of
5 Environmental Protection shall propose rules for legislative
6 approval in accordance with article three, chapter twenty-nine-a of
7 this code to carry out the policy and purposes of this article, to
8 provide any necessary clarification of the provisions of this
9 article and to efficiently provide for the general administration
10 of this article.

NOTE: The purpose of this bill is to provide businesses a tax credit for composting certain types of garbage, landscape waste and food.

This article is new; therefore, strike-throughs and underscoring have been omitted.