1	Senate Bill No. 207
2	(By Senators Kessler (Mr. President) and Hall,
3	By Request of the Executive)
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5	[Introduced January 17, 2012; referred to the Committee on
6	Natural Resources; and then to the Committee on Finance]
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L O	
L1	A BILL to amend and reenact §11-13A-3b of the Code of West
L2	Virginia, 1931, as amended, relating to the severance and
L3	business privilege tax; and continuing the discontinuance of
L 4	the severance and business privilege tax on the privilege of
L 5	severing timber.
L 6	Be it enacted by the Legislature of West Virginia:
L 7	That \$11-13A-3b of the Code of West Virginia, 1931, as
L 8	amended, be amended and reenacted to read as follows:
L 9	ARTICLE 13A. SEVERANCE AND BUSINESS PRIVILEGE TAX.
20	§11-13A-3b. Imposition of tax on privilege of severing timber.
21	(a) Imposition of tax For the privilege of engaging or
22	continuing within this state in the business of severing timber for
23	sale, profit or commercial use, there is hereby levied and shall be
) /	collected from every person evergising such privilege an appual

1 privilege tax.

- (b) Rate and measure of tax. -- The tax imposed in subsection

 (a) of this section shall be three and twenty-two hundredths

 percent of the gross value of the timber produced, as shown by the

 gross proceeds derived from the sale thereof by the producer,

 except as otherwise provided in this article: Provided, That as to

 timber produced after December 31, 2006 the rate of the tax imposed

 in subsection (a) of this section shall be one and twenty-two

 hundredths percent of the gross value of the timber produced, as

 shown by the gross proceeds derived from the sale thereof by the

 producer, except as otherwise provided in this article.
- 12 (c) Tax in addition to other taxes. -- The tax imposed by this
 13 section shall apply to all persons severing timber in this state
 14 and shall be in addition to all other taxes imposed by law.
- (d) Elimination of tax. -- Beginning in the tax year 2010 and continuing for two consecutive tax years thereafter until the imposition of the additional tax on the privilege of severing timber imposed by subsection (c), section four, article thirteen-v of this chapter expires under the authority of subsection (g), section four, article thirteen-v of this chapter, the tax imposed by this section is discontinued. On and after expiration of the additional tax on the privilege of severing timber imposed by subsection (c), section four, article thirteen-v of this chapter, the tax imposed by the tax imposed by this section resumes, and shall apply to all

- 1 persons severing timber in this state at the rate of one and
- 2 twenty-two hundredths percent of the gross value of the timber
- 3 produced, as shown by the gross proceeds derived from the sale
- 4 thereof by the producer, except as otherwise provided in this
- 5 article.

NOTE: The purpose of this bill is to extend the moratorium on the regular severance tax on the privilege of severing timber until such time as the additional "Workers' Compensation Debt Reduction Act" tax on the privilege of severing timber expires.

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