

1 **ENROLLED**

2 **Senate Bill No. 210**

3 (BY SENATORS KESSLER (MR. PRESIDENT) AND HALL,

4 BY REQUEST OF THE EXECUTIVE)

5 \_\_\_\_\_  
6 [Passed February 16, 2012; in effect from passage.]  
7 \_\_\_\_\_

8  
9  
10 AN ACT to amend and reenact §11-24-3 of the Code of West Virginia,  
11 1931, as amended, relating to updating the meaning of "federal  
12 taxable income" and certain other terms used in the West  
13 Virginia Corporation Net Income Tax Act in order for the  
14 definitions to conform with the Internal Revenue Code's  
15 definitions.

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

17 That §11-24-3 of the Code of West Virginia, 1931, as amended,  
18 be amended and reenacted to read as follows:

19 **ARTICLE 24. CORPORATION NET INCOME TAX.**

20 **§11-24-3. Meaning of terms; general rule.**

21 (a) Any term used in this article has the same meaning as when  
22 used in a comparable context in the laws of the United States  
23 relating to federal income taxes, unless a different meaning is  
24 clearly required by the context or by definition in this article.

1 Any reference in this article to the laws of the United States  
2 means the provisions of the Internal Revenue Code of 1986, as  
3 amended, and any other provisions of the laws of the United States  
4 that relate to the determination of income for federal income tax  
5 purposes. All amendments made to the laws of the United States  
6 after December 31, 2010, but prior to January 1, 2012, shall be  
7 given effect in determining the taxes imposed by this article to  
8 the same extent those changes are allowed for federal income tax  
9 purposes, whether the changes are retroactive or prospective, but  
10 no amendment to the laws of the United States made on or after  
11 January 1, 2012, shall be given any effect.

12 (b) The term "Internal Revenue Code of 1986" means the  
13 Internal Revenue Code of the United States enacted by the federal  
14 Tax Reform Act of 1986 and includes the provisions of law formerly  
15 known as the Internal Revenue Code of 1954, as amended, and in  
16 effect when the federal Tax Reform Act of 1986 was enacted that  
17 were not amended or repealed by the federal Tax Reform Act of 1986.  
18 Except when inappropriate, any reference in any law, executive  
19 order or other document:

20 (1) To the Internal Revenue Code of 1954 includes a reference  
21 to the Internal Revenue Code of 1986; and

22 (2) To the Internal Revenue Code of 1986 includes a reference  
23 to the provisions of law formerly known as the Internal Revenue  
24 Code of 1954.

1           (c) *Effective date.* -- The amendments to this section enacted  
2 in the year 2012 are retroactive to the extent allowable under  
3 federal income tax law. With respect to taxable years that began  
4 prior to January 1, 2013, the law in effect for each of those years  
5 shall be fully preserved as to that year, except as provided in  
6 this section.