

WEST VIRGINIA LEGISLATURE

2017 REGULAR SESSION

Introduced

House Bill 2461

FISCAL
NOTE

BY DELEGATE COWLES

[Introduced February 15, 2017; Referred
to the Committee on the Judiciary then Finance.]

1 A BILL to amend and reenact §11-22-2 of the Code of West Virginia, 1931, as amended, relating
 2 to the excise tax on the privilege of transferring real property; and providing that the tax
 3 be used to reimburse counties for regional jail fees.

Be it enacted by the Legislature of West Virginia:

1 That §11-22-2 of the Code of West Virginia, 1931, as amended, be amended and
 2 reenacted to read as follows

ARTICLE 22. EXCISE TAX ON PRIVILEGE OF TRANSFERRING REAL PROPERTY.

§11-22-2. Rate of tax; when and by whom payable; additional county tax.

1 (a) Every person who delivers, accepts or presents for recording any document, or in
 2 whose behalf any document is delivered, accepted or presented for recording, is subject to pay
 3 for, and in respect to the transaction or any part thereof, a state excise tax upon the privilege of
 4 transferring title to real estate at the rate of \$1.10 for each \$500 value or fraction thereof as
 5 represented by the document as defined in section one of this article. The state tax is payable at
 6 the time of delivery, acceptance or presenting for recording of the document. This excise tax,
 7 once collected, shall be expended to reimburse each county for funds expended to satisfy its
 8 regional jail fees. In addition to the state excise tax described in this subsection, there is assessed
 9 a fee of \$20 upon the privilege of transferring real estate for consideration. The clerk of the county
 10 commission shall collect the additional \$20 fee before recording a transfer of title to real estate
 11 and shall deposit the moneys from the additional fees into the West Virginia Affordable Housing
 12 Trust Fund as provided in article eighteen-d, chapter thirty-one of this code. The moneys collected
 13 from this additional fee shall be segregated from other funds in the West Virginia Affordable
 14 Housing Trust Fund and shall be accounted for separately. Not more than ten percent of these
 15 additional moneys may be expended by the West Virginia Affordable Housing Trust Fund to
 16 defray administrative and operating costs and expenses actually incurred by the West Virginia
 17 Affordable Housing Trust Fund. The Housing Development Fund, as fiscal agent of the West

18 Virginia Affordable Housing Trust Fund, shall publish monthly on the Internet site an accounting
19 of all revenue deposited into the fund during the month and a full disclosure of all expenditures
20 from the fund including the group receiving funds, their location and any contractor awarded the
21 construction contract. Additionally, the West Virginia Affordable Housing Trust Fund is to provide
22 an annual report to the Joint Committee on Government and Finance before December 1, 2007,
23 and each year thereafter.

24 (b) Effective January 1, 1968, and thereafter, there is imposed an additional county excise
25 tax for the privilege of transferring title to real estate at the rate of \$0.55 for each \$500 value or
26 fraction thereof as represented by such document as defined in section one of this article, which
27 county tax shall be payable at the time of delivery, acceptance or presenting for recording of such
28 document: *Provided*, That after July 1, 1989, the county may increase said excise tax to an
29 amount equal to the state excise tax. The additional tax hereby imposed is declared to be a
30 county tax and to be used for county purposes: *Provided, however*, That only one such state tax
31 and one such county tax shall be paid on any one document and shall be collected in the county
32 where the document is first admitted to record and the tax shall be paid by the grantor therein
33 unless the grantee accepts the document without such tax having been paid, in which event such
34 tax shall be paid by the grantee: *Provided further*, That on any transfer of real property from a
35 trustee or a county clerk transferring real estate sold for taxes, such tax shall be paid by the
36 grantee. The county excise tax imposed under this section may not be increased in any county
37 unless the increase is approved by a majority vote of the members of the county commission of
38 such county. Any county commission intending to increase the excise tax imposed in its county
39 shall publish a notice of its intention to increase such tax not less than thirty days nor more than
40 sixty days prior to the meeting at which such increase will be considered, such notice to be
41 published as a Class I legal advertisement in compliance with the provisions of article three,
42 chapter fifty-nine of this code and the publication area shall be the county in which such county
43 commission is located.

NOTE: The purpose of this bill is to provide that the state excise tax on the privilege of transferring real property tax be used to reimburse counties for regional jail fees.

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