

# WEST VIRGINIA LEGISLATURE

## 2017 REGULAR SESSION

Introduced

### House Bill 2616

FISCAL  
NOTE

BY DELEGATES BREWER, FERRO, PETHEL, MOYE,

LONGSTRETH, CAPUTO, HARTMAN, EVANS, E.,

SPONAUGLE, DISERIO AND PYLES

[Introduced February 21, 2017; Referred

to the Committee on Finance.]

1 A BILL to amend and reenact §11-21-4e of the Code of West Virginia, 1931, as amended, relating  
 2 to decreasing the personal income tax rates for certain taxpayers and raising the personal  
 3 income tax rates for certain other taxpayers.

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

1 That §11-21-4e of the Code of West Virginia, 1931, as amended, be amended and  
 2 reenacted to read as follows:

**ARTICLE 21. PERSONAL INCOME TAX.**

**§11-21-4e. Rate of tax -- Taxable years beginning on or after ~~January 1, 1987~~ January 1, 2018.**

1 (a) Rate of tax on individuals (except married individuals filing separate returns),  
 2 individuals filing joint returns, heads of households, estates and trusts. -- The tax imposed by  
 3 section three of this article on the West Virginia taxable income of every individual (except married  
 4 individuals filing separate returns); every individual who is a head of a household in the  
 5 determination of his or her federal income tax for the taxable year; every husband and wife who  
 6 file a joint return under this article; every individual who is entitled to file his or her federal income  
 7 tax return for the taxable year as a surviving spouse; and every estate and trust shall be  
 8 determined in accordance with the following table:

9	If the West Virginia	The tax is:
10	taxable income is:	
11		
12	Not over \$10,000	3% of the taxable income
13		
14	Over \$10,000 but not	\$300 plus 4% of excess
15	over \$25,000	over \$10,000
16		
17	Over \$25,000 but not	\$900 plus 4.5% of excess
18	over \$40,000	over \$25,000
19		
20	Over \$40,000 but not	\$1,575.00 plus 6% <u>5%</u> of
21	over \$60,000	excess over \$40,000
22		
23	Over \$60,000 <u>but not</u>	<del>\$2,775.00</del> <u>\$2,575.00</u> plus 6.5%
24	<u>over \$85,000</u>	<u>5.5%</u> of excess over \$60,000

25		
26	<u>Over \$85,000 but not</u>	<u>\$3,950.00 plus 6.25% of excess</u>
27	<u>over \$115,000</u>	<u>over \$85,000</u>
28		
29	<u>Over \$115,000 but not</u>	<u>\$5,825.00 plus 7% of excess</u>
30	<u>over \$150,000</u>	<u>over \$115,000</u>
31		
32	<u>Over \$150,000 but not</u>	<u>\$8,275.00 plus 8.5% of excess</u>
33	<u>over \$250,000</u>	<u>over \$150,000</u>
34		
35	<u>Over \$250,000</u>	<u>\$16,775.00 plus 8.9% of excess</u>
36		<u>over \$150,000</u>
37		

38 (b) Rate of tax on married individuals filing separate returns. -- In the case of husband and  
 39 wife filing separate returns under this article for the taxable year, the tax imposed by section three  
 40 of this article on the West Virginia taxable income of each spouse shall be determined in  
 41 accordance with the following table:

42	If the West Virginia	
43	taxable income is:	The tax is:
44	Not over \$5,000	3% of the taxable income
45	Over \$5,000 but not	\$150.00 plus 4% of excess
46	over \$12,500	over \$5,000
47	Over \$12,500 but not	\$450 plus 4.5% of
48	over \$20,000	excess over \$12,500
49	Over \$20,000 but not	\$787.50 plus <del>6%</del> 5% of
50	over \$30,000	excess over \$20,000
51	Over \$30,000 <u>but not</u>	<del>\$1,387.50</del> <u>\$1,287.50</u> plus 6.5%
52	<u>over \$42,500</u>	<u>5.5% of excess over \$30,000</u>
53	<u>Over \$42,500 but not</u>	<u>\$1,975.00 plus 6.25% of excess</u>
54	<u>over \$57,500</u>	<u>over \$42,500</u>
55	<u>Over \$57,500 but not</u>	<u>\$2,912.50 plus 7% of excess</u>
56	<u>over \$75,000</u>	<u>over \$57,500</u>
57	<u>Over \$75,000 but not</u>	<u>\$4,137.50 plus 8.5% of excess</u>
58	<u>over \$125,000</u>	<u>over \$75,000</u>
59		
60	<u>Over \$125,000</u>	<u>\$8,387.50 plus 8.9% of excess</u>
61		<u>over \$125,000</u>

62           (c) Applicability of this section. -- The provisions of this section, as amended by this act,  
63 shall be applicable in determining the rate of tax imposed by this article for all taxable years  
64 beginning after ~~December 31, 1986~~ December 31, 2017, and shall be in lieu of the rates of tax  
65 specified in section four-d of this article.

NOTE: The purpose of this bill is to decrease the personal income tax rate for certain taxpayers and raising personal income tax rate for certain other taxpayers.

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