

WEST VIRGINIA LEGISLATURE

2018 REGULAR SESSION

Introduced

House Bill 4244

FISCAL
NOTE

BY DELEGATES WARD, HOWELL, HOLLEN, PAYNTER,
MOORE, LANE, FRICH, LONGSTRETH, SOBONYA, MARTIN
AND HAMRICK

[Introduced January 22, 2018; Referred
to the Committee on Education then Finance.]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new article,
 2 designated §11-13EE-1, §11-13EE-2, §11-13EE-3, §11-13EE-4, §11-13EE-5, and
 3 §11-13EE-6, all relating generally to business tax credits; granting business tax credits
 4 that financially support students enrolled in in the state’s community and technical
 5 colleges; establishing the amount of credits available; setting forth conditions; defining
 6 terms; requiring rule-making; and establishing an effective date.

Be it enacted by the Legislature of West Virginia:

ARTICLE 13EE. COMMUNITY AND TECHNICAL COLLEGE TAX CREDIT.

§11-13EE-1. Findings and purpose.

1 The Legislature finds that it is an important public policy to promote business donations to
 2 students enrolled in the state’s community and technical colleges.

§11-13EE-2. Definitions.

1 As used in this article:

2 “Business” means any activity taxable under §11-13-1, et seq. of this code; and

3 “Community and technical college” has the same meaning as that term is defined in §18B-
 4 6-1a of this code.

§11-13EE-3. Amount of credit; limitation.

1 (a) For every \$50,000 donated to students at community and technical colleges, a
 2 business can receive up to \$25,000 tax credit per student.

3 (b) For every additional \$100,000 above \$200,000 donated to students at community and
 4 technical colleges, a business can receive an additional credit of \$25,000.

5 (c) Tax credits may not exceed \$500,000 a year for a total of \$325,000 in tax credits.

§11-13EE-4. Determination of credit.

1 (a) A business is eligible for the tax credits identified in §11-13EE-3 of this code as follows:

2 (1) If the student receiving the financial assistance also receives an associate degree, a
 3 certification, advanced skill set certificate or a skill set certificate from the community and technical

4 college;

5 (2) If the business hires that student as a full-time employee; and

6 (3) If the employee resides and works in West Virginia.

7 (b) The tax credits identified in §11-13EE-3 of this code may only be used toward the
8 employee's base salary for the first full year of employment. A full year is from the hire date to his
9 or her first anniversary with the business.

10 (c) The tax credits identified in §11-13EE-3 of this code are not obtained until the following
11 year of the employee's first anniversary date.

§11-13EE-5. Legislative rules.

1 (a) The Tax Commissioner shall propose rules for legislative approval in accordance with
2 §29A-3-1 et seq. of this code to implement this article as may be necessary to carry out the
3 purposes of this article.

§11-13EE-6. Effective date.

1 The credit allowed by this article shall be allowed upon donations occurring after
2 December 31, 2018.

NOTE: The purpose of this bill is to grant business tax credits to businesses that financially support students enrolled in the state's community and technical colleges. The bill establishes the amount of credits available. The bill sets forth conditions. The bill defines terms. The bill requires rule-making. The bill establishes an effective date.

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