

WEST VIRGINIA LEGISLATURE

2019 REGULAR SESSION

Committee Substitute

for

House Bill 2967

BY DELEGATES HARDY, BIBBY, BARRETT, ESPINOSA,
COWLES, HOUSEHOLDER, MANDT, LINVILLE, D. WILSON,
JEFFRIES AND ROWAN

[Originating in the Committee on Finance; Reported
on February 25, 2019.]

1 A BILL to amend and reenact §11-22-2 of the Code of West Virginia, 1931, as amended, relating
2 to phasing in elimination of state excise tax and replacing it with county excise tax on
3 certain date.

Be it enacted by the Legislature of West Virginia:

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 §11-22-1 of this code: Provided, That beginning July
6 1, 2020, ten percent of each state excise tax collected pursuant to the provisions of this subsection
7 shall be retained by the county wherein the tax was collected to be used for county purposes;
8 Provided, however, That beginning July 1, in every year thereafter, an additional ten percent of
9 each state excise tax collected pursuant to this subsection shall be retained by the county wherein
10 the tax was collected to be used for county purposes: Provided, further, That beginning July 1,
11 2029, the excise tax collected pursuant to this subsection shall be a county excise tax to be used
12 by the county wherein it is collected for county purposes. The state tax is payable at the time of
13 delivery, acceptance, or presenting for recording of the document. In addition to the state excise
14 tax described in this subsection, there is assessed a fee of \$20 upon the privilege of transferring
15 real estate for consideration. The clerk of the county commission shall collect the additional \$20
16 fee before recording a transfer of title to real estate and shall deposit the moneys from the
17 additional fees into the Affordable Housing Fund as provided in §31-18-20d of this code. The
18 moneys collected from this additional fee shall be segregated from other funds of the West Virginia
19 Housing Development Fund and shall be accounted for separately. None of these moneys may
20 be expended by the West Virginia Housing Development Fund to defray administrative and

21 operating costs and expenses actually incurred by the West Virginia Housing Development Fund.
22 The West Virginia Housing Development Fund shall publish monthly on the Internet site an
23 accounting of all revenue deposited into the fund during the month and a full disclosure of all
24 expenditures from the fund including the group receiving funds, their location and any contractor
25 awarded the construction contract.

26 (b) Effective January 1, 1968, and thereafter, there is imposed an additional county excise
27 tax for the privilege of transferring title to real estate at the rate of 55 cents for each \$500 value
28 or fraction thereof as represented by such document as defined in §11-22-1 of this code, which
29 county tax shall be payable at the time of delivery, acceptance, or presenting for recording of such
30 document: *Provided*, That after July 1, 1989, the county may increase said excise tax to an
31 amount equal to the state excise tax. The additional tax hereby imposed is declared to be a county
32 tax and to be used for county purposes: *Provided, however*, That after July 1, 2017, the county
33 may increase the excise tax to an amount not to exceed \$1.65 for each \$500 value, or fraction
34 thereof, as represented by a document as defined in §11-22-1 of this code: *Provided further*, That
35 only one such state tax and one such county tax shall be paid on any one document and shall be
36 collected in the county where the document is first admitted to record and the tax shall be paid by
37 the grantor therein unless the grantee accepts the document without such tax having been paid,
38 in which event such tax shall be paid by the grantee: *And provided further*, That on any transfer
39 of real property from a trustee or a county clerk transferring real estate sold for taxes, such tax
40 shall be paid by the grantee. The county excise tax imposed under this section may not be
41 increased in any county unless the increase is approved by a majority vote of the members of the
42 county commission of such county. Any county commission intending to increase the excise tax
43 imposed in its county shall publish a notice of its intention to increase such tax not less than 30
44 days nor more than 60 days prior to the meeting at which such increase will be considered, such
45 notice to be published as a Class I legal advertisement in compliance with the provisions of §59-

46 3-1 *et seq.* of this code and the publication area shall be the county in which such county
47 commission is located.