

WEST VIRGINIA LEGISLATURE

2019 REGULAR SESSION

Introduced

House Bill 3107

BY DELEGATE S. BROWN AND PYLES

[Introduced February 12, 2019; Referred
to the Committee on Government Organization then
Finance.]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,
 2 designated §12-4-18, relating to requiring the Secretary of the Department of Revenue to
 3 post on the Internet a unified economic development report to provide policymakers and
 4 taxpayers with a comprehensive accounting of all economic development spending;
 5 providing that confidentiality provisions contained in the code do not apply to information
 6 required under this section; and requiring state agencies to help the secretary collect and
 7 compile the information required to be reported by this section.

Be it enacted by the Legislature of West Virginia:

ARTICLE 4. ACCOUNTS, REPORTS AND GENERAL PROVISIONS.

§12-4-18. Annual unified economic development reports.

1 (a) The Secretary of the Department of Revenue shall annually submit an annual unified
 2 economic development report to the Legislature no later than three months after the end of the
 3 state’s fiscal year. The report shall be posted publicly on the department’s website, with specified
 4 portions available as spreadsheets that can be downloaded. The report shall include all types of
 5 expenditures for economic development during the prior fiscal year, including, but not limited to:

6 (1) Company-specific tax expenditures. -- The amount of uncollected, forgiven, credited
 7 or rebated state tax revenue, line itemized by program, resulting from every corporate tax credit,
 8 abatement, exemption, and reduction provided by the state or a local governmental unit for the
 9 purpose of job creation and/or retention including, but not limited to, gross receipts, income, sales,
 10 use, raw materials, excise, property, utility, and inventory taxes.

11 (2) Program-specific appropriated expenditures. -- All state appropriated program
 12 expenditures for economic development, line itemized for every state-funded entity with an
 13 economic development mission.

14 (3) Agency-specific appropriated expenditures.-- All state-appropriated expenditures for
 15 the administration of economic development agencies, line itemized for every state-funded
 16 agency with an economic development mission.

17 (4) A three-year cost-trend analysis for each reported program and agency, describing the
18 rate of growth or decline in spending over time, and including the number of corporations assisted
19 each year.

20 (5) For each tax year, the name of each corporate taxpayer which claimed any tax credit,
21 abatement, exemption or reduction under subdivision (1) of this subsection of any value equal to
22 or greater than \$5,000, together with the dollar amount received by each corporate taxpayer.

23 (6) All information in subdivision (1), (2), (3), (4), and (5) of this subsection shall be posted
24 in a spreadsheet form that can be downloaded from the department website.

25 (7) Any tax credit, abatement, exemption, or reduction received by a corporation of less
26 than \$5,000 each may not be itemized. For each tax year, the department shall report an
27 aggregate dollar amount of the expenditures and the number of companies so aggregated for
28 each tax expenditure.

29 (b) As used in this section "state" means an agency, board, commission, office, public
30 benefit corporation or public benefit authority of the state.

31 (c) A confidentiality provision contained in any other provision of this code, including, but
32 not limited to, chapter 11, does not apply to information required to be posted under this section.

33 (d) Every state agency shall, at the secretary's request, help the secretary collect and
34 compile the information required to be reported by this section.

NOTE: The purpose of this bill is to require the Department of Revenue post on the Internet a unified economic development report to provide policymakers and taxpayers with a comprehensive accounting of all economic development spending all in one place.

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