



*Jim Justice*  
*Governor of West Virginia*

March 27, 2019

**VIA HAND DELIVERY**

The Honorable Mac Warner  
Secretary of State  
Suite 157-K  
State Capitol  
Charleston, WV 25305

Re: Enrolled Committee Substitute for House Bill 2807

Dear Secretary Warner:

Pursuant to the provisions of Section Fourteen, Article VII of the Constitution of West Virginia, I hereby disapprove and return Enrolled Committee Substitute for House Bill 2807 the purposes of which is to allow electing small business corporations (S corporations) and limited liability companies that are financial organizations to claim certain decreasing modifications when determining their West Virginia adjusted federal taxable income that they could have claimed had they been subject to the West Virginia corporation net income tax.

Enrolled Committee Substitute for House Bill 2807 includes numerous technical flaws. For example, while attempting to update W. Va. Code §11-21-17a to incorporate the current way of citing to the West Virginia Code, a technical error was made in the bill -- the bill changed references to subsections (b), (c) and (d) of W. Va. Code §11-21-12, to reference §11-21-12b, §11-21-12c, and §11-21-12d, thereby changing the meaning of Bill §11-21-17a. The reference to the definition of "financial organizations" is also incorrect, as are other Code sections referenced in the bill.

For these reasons I must disapprove and return Enrolled Committee Substitute for House Bill 2807, but welcome a similar bill to be introduced in a subsequent legislative session to correct the issues noted above.

Sincerely

Jim Justice  
Governor

cc: The Hon. Roger Hanshaw  
Speaker of the House of Delegates  
The Hon. Mitch Carmichael  
President of the Senate