

# **WEST VIRGINIA LEGISLATURE**

## **2021 REGULAR SESSION**

**Introduced**

### **Senate Bill 424**

BY SENATORS KARNES AND UNGER

[Introduced February 23, 2021; referred  
to the Committee on Finance]



1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new article,  
2 designated §11-13KK-1, §11-13KK-2, §11-13KK-3, and §11-13KK-4, all relating to  
3 creating a fixed income credit for low-income senior citizens; establishing procedures for  
4 claiming credit; and defining terms.

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

**ARTICLE 13KK. FIXED INCOME CREDIT.**

**§11-13KK-1. Fixed income credit for low-income senior citizens.**

1 For the tax year beginning on or after January 1, 2022, any resident of this state who is a  
2 low-income senior citizen, and who has reported fixed income on his or her federal income tax  
3 return for that year of more than \$1,000 but less than \$20,000, shall be allowed a credit equal to  
4 the adjusted credit amount determined in this article.

**§11-13KK-2. Procedure for claiming credit; limitation of amount paid.**

1 (a) The credit available under this article shall be claimed each year, and payment of the  
2 same requested by a low-income senior citizen, by filing, within one month following the filing of  
3 his or her federal income tax return for the year, a claim for credit on forms furnished by the State  
4 Tax Commissioner who shall process a requisition for remittance by the State Treasurer of the  
5 correct amounts of credit shown on properly completed and filed claims within not more than 90  
6 days following receipt of the same.

7 (b) No person may receive a credit pursuant to this section in excess of \$200. This amount  
8 shall be reviewed annually by the Legislature to determine if an adjustment is necessary.

9 (c) Due to the administrative cost of processing, the credit authorized by this section may  
10 not be paid if the amount of the credit is determined to be less than \$10.

**§11-13KK-3. Definitions.**

1 (a) For the purposes of this article, the term “adjusted credit amount” means the amount  
2 which is equal to one percent of the person’s fixed income reported on his or her federal income  
3 tax return for the year, reduced by four percent of that amount for every one percentage point by

4 which the person's adjusted gross income exceeds 125 percent of the federal poverty guideline  
5 applicable to such person as provided in this section.

6 (b) For the purposes of this article, the term "adjusted gross income" has the meaning of  
7 that term used in the Internal Revenue Code.

8 (c) For the purposes of this article, the term "fixed income" means any income reported by  
9 the credit applicant on his or her federal income tax return which is not "earned income" as that  
10 term is used in the Internal Revenue Code.

11 (d) For the purposes of this article, the term "low income" means federal adjusted gross  
12 income for the tax year that is 150 percent or less of the federal poverty guideline, based on the  
13 number of individuals in the family unit of which the low-income senior citizen is a member, all as  
14 determined annually by the United States Secretary of Health and Human Services.

15 (e) For the purposes of this article, the term "low-income senior citizen" means a resident  
16 of this state whose federal adjusted gross income for the tax year meets the definition of "low  
17 income" as defined in this section, and who has attained the age of 65 years.

**§11-13KK-4. Effective date.**

1 This article shall take effect on January 1, 2022.