

# WEST VIRGINIA LEGISLATURE

## 2021 REGULAR SESSION

Introduced

### Senate Bill 704

FISCAL  
NOTE

BY SENATOR MAYNARD

[Introduced March 22, 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 section,  
 2 designated §11-21-3a, relating to providing an exemption from payment of personal  
 3 income taxes for certain individuals; declaring pilot project; specifying the limits of the  
 4 exemption; specifying applicable tax years; and authorizing the Tax Commissioner to  
 5 require appropriate documentation.

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

**ARTICLE 21. PERSONAL INCOME TAX.**

**§11-21-3a. Special exemption pilot project.**

1 Individuals who own and operate a business in a Class IV city that borders another state,  
 2 who reside in the county, and whose sole source of income is their business shall be exempt from  
 3 payment of personal income tax . The period of this exemption shall be for the tax years 2020 -  
 4 2025. This exemption only applies to the determination and payment of personal income tax and  
 5 all other taxes shall remain in effect for the individuals described in this section. The state tax  
 6 commissioner shall have the authority to prescribe appropriate forms for these individuals to  
 7 document their exemption.

NOTE: The purpose of this bill is to provide an exemption from personal income tax for business owners in one community when their sole source of income is their business.

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