

WEST VIRGINIA LEGISLATURE

2022 REGULAR SESSION

Introduced

House Bill 4091

FISCAL
NOTE

BY DELEGATES KEATON, HAYNES, PINSON, CLARK,

HANNA AND MANDT

[Introduced January 14, 2022; 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 §11-6M-1, §11-6M-2, §11-6M-3, §11-6M-4, and §11-6M-5, all relating to
3 creating the Family Supporting Jobs Tax Relief Act; providing for a short title; creating
4 definitions applicable to the Act; providing for a special valuation of tangible industrial
5 personal property after July 1, 2022; providing for an initial determination, process, and
6 appeal; and providing for an effective date.

Be it enacted by the Legislature of West Virginia:

ARTICLE 6M. FAMILY-SUPPORTING JOBS TAX RELIEF ACT.

§11-6M-1. Short title.

1 This article shall be known and cited as the “Family-Supporting Jobs Tax Relief Act.”

§11-6M-2. Definitions.

1 For the purpose of this section, the following definitions shall apply:

2 (a) “Salvage value” means five percent of original cost.

3 (b) “Industrial business activity” means any business activity in this state that is primarily
4 manufacturing, mining and natural resource processing, quarrying, oil extraction, natural gas
5 extraction, or storage hubs located in this state for the purpose of providing a hub for the storage,
6 distribution, trading or use of natural gas liquids. “Industrial business activity” does not include
7 any working interest in an oil or gas well or any business activity of a public service company.

8 (c) “Natural gas liquids” include all products separated from wet gas but does not include
9 dry gas.

10 (d) “Public service company” or “public service companies” means a corporation or other
11 business entity which delivers services considered essential to the public interest that are
12 regulated by the applicable federal or state regulatory body, including, but not limited to,
13 businesses furnishing electricity, natural gas, telecommunications, or water, or transporting
14 personal property, or passengers, including, but not limited to, airlines, railroads, trucking and bus
15 companies, and which are centrally assessed by the state for property tax purposes.

16 (e) "Rolling stock" includes, but is not limited to, motor vehicles, trailers, wheel loaders,
 17 crawlers, wheel tractors, excavators, graders, lift trucks and any other tangible personal property
 18 designed to move tangible personal property or people from one place to another place.

19 (f) "Tangible industrial inventory personal property" means and is limited to raw materials,
 20 goods in process and finished goods of a business located in West Virginia primarily engaged in
 21 an industrial business activity, except for the industrial personal property of public service
 22 companies.

23 (g) "Tangible industrial machinery and equipment personal property" means, includes, and
 24 is limited to, machinery and equipment owned by the taxpayer that is directly used or consumed
 25 in an industrial business activity of the taxpayer in West Virginia, except for the tangible industrial
 26 machinery and equipment personal property of public service companies.

27 "Tangible industrial machinery and equipment personal property" does not include:

28 Furniture;

29 Barges;

30 Ships;

31 Rolling stock; or

32 Any other tangible personal property:

33 (1) Not directly used in the industrial business activity;

34 (2) Assessed as part of the working interest in an oil or gas well; or

35 (3) Industrial personal property of public service companies.

§11-6M-3. Special valuation of tangible industrial personal property purchased after July 1st, 2022.

1 Notwithstanding any other provision of this code to the contrary, the value of tangible
 2 industrial inventory property and tangible industrial machinery and equipment property purchased
 3 after July 1st, 2022, for the purpose of ad valorem property taxation under this chapter and under
 4 Article X of the Constitution of this state, shall be its salvage value.

§11-6M-4. Initial determination; protest and appeal.

1 The valuation and assessment of any tangible industrial inventory personal property and
2 tangible industrial machinery and equipment personal property subject to this article, including
3 the process of protest and appeal from any such valuation, shall be conducted in the manner set
4 forth and more fully described in §11-6-1 et seq. of this code and any applicable rules: *Provided,*
5 That with respect to any tangible industrial inventory personal property and tangible industrial
6 machinery and equipment personal property that is subject to this article but is not property of a
7 business subject to the provisions of §11-6-1 et seq. of this code, the valuation and assessment
8 of such tangible industrial inventory personal property and tangible industrial machinery and
9 equipment personal property, including the process of protest and appeal from any such
10 valuation, shall be conducted in the manner set forth in §11-3-1 et seq. of this code.

§11-6M-5. Effective date.

1 This article is effective on and after July 1, 2022.

NOTE: The purpose of this bill is to establish the Family Supporting Jobs Tax Relief Act. The bill provides for a short title and spells out definitions that are applicable to the Act. The bill provides for a special valuation of tangible industrial personal property after July 1, 2022. The bill provides for an initial determination, process, and appeal. Finally, the bill creates an effective date for the Act.

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