

# WEST VIRGINIA LEGISLATURE

## 2023 REGULAR SESSION

Introduced

### House Bill 2821

FISCAL  
NOTE

By Delegates Cannon, Steele, Fluharty, Riley, Nestor,

Storch and Espinosa

[Introduced January 19, 2023; Referred to the

Committee on the Judiciary then Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,  
 2 designated §11-21-12n, relating to taxation of gambling and lottery winnings; providing  
 3 those winnings are taxable income; allowing taxpayers to deduct certain losses incurred  
 4 the same year; and providing for recordkeeping of those losses.

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

**ARTICLE 21. PERSONAL INCOME TAX.**

**§11-21-12n. Taxation on gambling and lottery winnings.**

1 Gains arising from gambling and lotteries are taxable as personal income. For the tax  
 2 years beginning on or after January 1, 2023, when calculating gains, the taxpayer may deduct  
 3 gambling and lottery losses up to the amount won for that year, but may not deduct the costs and  
 4 expenses incurred in connection with the gambling and lottery activity. The taxpayer shall maintain  
 5 detailed records substantiating losses if the taxpayer intends to deduct those losses. The taxpayer  
 6 shall have the burden of proving any losses.

NOTE: The purpose of this bill is to allow gambling and lottery winnings to be written off against losses.

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