

WEST VIRGINIA LEGISLATURE

2025 REGULAR SESSION

Introduced

House Bill 3293

By Delegate McCormick

[Introduced March 10, 2025; referred to the
Committee on Finance]

1 A BILL to amend and reenact §11-24-4 of the Code of West Virginia, 1931, as amended, to reduce
2 the corporate net income tax.

Be it enacted by the Legislature of West Virginia:

ARTICLE 24. CORPORATE NET INCOME TAX

§11-24-4. Imposition of primary tax and rate thereof; effective and termination dates.

1 Primary tax. (1) In the case of taxable periods beginning after June 30, 1967, and ending
2 prior to January 1, 1983, a tax is hereby imposed for each taxable year at the rate of six percent
3 per annum on the West Virginia taxable income of every domestic or foreign corporation engaging
4 in business in this state or deriving income from property, activity or other sources in this state,
5 except corporations exempt under section five.

6 (2) In the case of taxable periods beginning on or after January 1, 1983, and ending prior to
7 July 1, 1987, a tax is hereby imposed for each taxable year on the West Virginia taxable income of
8 every domestic or foreign corporation engaging in business in this state or deriving income from
9 property, activity or other sources in this state, except corporations exempt under section five of
10 this article, and any banks, banking associations or corporations, trust companies, building and
11 loan associations and savings and loan associations, at the rates which follow:

12 (A) On taxable income not in excess of \$50,000, the rate of six percent; and

13 (B) On taxable income in excess of \$50,000, the rate of seven percent.

14 (3) In the case of taxable periods beginning on or after July 1, 1987, a tax is hereby
15 imposed for each taxable year on the West Virginia taxable income of every domestic or foreign
16 corporation engaging in business in this state or deriving income from property, activity or other
17 sources in this state, except corporations exempt under section five of this article, at the rate of
18 nine and three-quarters percent. Beginning July 1, 1988, and on each July 1 thereafter for four
19 successive calendar years, the rate shall be reduced by fifteen one hundredths of one percent per
20 year, with such rate to be nine percent on and after July 1, 1992.

21 (4) In the case of taxable periods beginning on or after January 1, 2007, a tax is hereby

22 imposed for each taxable year on the West Virginia taxable income of every domestic or foreign
23 corporation engaging in business in this state or deriving income from property, activity or other
24 sources in this state, except corporations exempt under section five of this article, at the rate of
25 eight and three-quarters percent.

26 (5) In the case of taxable periods beginning on or after January 1, 2009, a tax is hereby
27 imposed for each taxable year on the West Virginia taxable income of every domestic or foreign
28 corporation engaging in business in this state or deriving income from property, activity or other
29 sources in this state, except corporations exempt under section five of this article, at the rate of
30 eight and one-half percent.

31 (6) In the case of taxable periods beginning on or after January 1, 2012, a tax is hereby
32 imposed for each taxable year on the West Virginia taxable income of every domestic or foreign
33 corporation engaging in business in this state or deriving income from property, activity or other
34 sources in this state, except corporations exempt under section five of this article, at the rate of
35 seven and three-quarters percent: *Provided*, That the reduction in tax authorized by this
36 subsection shall be suspended if the combined balance of funds as of June 30, 2011, in the
37 Revenue Fund Shortfall Reserve Fund and the Revenue Fund Shortfall Reserve Fund - Part B
38 established in section twenty, article two, chapter eleven-b of this code does not equal or exceed
39 ten percent of the General Revenue Fund budgeted for the fiscal year commencing July 1, 2011:
40 *Provided, however*, That the rate reduction schedule will resume in the calendar year immediately
41 following any subsequent fiscal year when the combined balance of funds as of June 30 of that
42 fiscal year in the Revenue Fund Shortfall Reserve Fund and the Revenue Fund Shortfall Reserve
43 Fund - Part B next equals or exceeds ten percent of the General Revenue Fund budgeted for the
44 immediately succeeding fiscal year.

45 (7) In the case of taxable periods beginning on or after January 1, 2013, a tax is hereby
46 imposed for each taxable year on the West Virginia taxable income of every domestic or foreign
47 corporation engaging in business in this state or deriving income from property, activity or other

48 sources in this state, except corporations exempt under section five of this article, at the rate of
49 seven percent: *Provided*, That the reduction in tax authorized by this subsection shall be
50 suspended for one calendar year subsequent to the occurrence of the suspension of the reduction
51 in tax authorized by subdivision (6) of this section: *Provided, however*, That the reduction in tax on
52 the first day of any calendar year authorized by this subsection shall be suspended if the combined
53 balance of funds as of June 30 of the preceding year in the Revenue Fund Shortfall Reserve Fund
54 and the Revenue Fund Shortfall Reserve Fund - Part B established in section twenty, article two,
55 chapter eleven-b of this code does not equal or exceed ten percent of the General Revenue Fund
56 budgeted for the fiscal year commencing July 1, of the preceding year.

57 (8) In the case of taxable periods beginning on or after January 1, 2014, a tax is hereby
58 imposed for each taxable year on the West Virginia taxable income of every domestic or foreign
59 corporation engaging in business in this state or deriving income from property, activity or other
60 sources in this state, except corporations exempt under section five of this article, at the rate of six
61 and one-half percent: *Provided*, That the reduction in tax authorized by this subsection shall be
62 suspended for one calendar year subsequent to the occurrence of the suspension of the reduction
63 in tax authorized by subdivision (7) of this section: *Provided, however*, That the reduction in tax on
64 the first day of any calendar year authorized by this subsection shall be suspended if the combined
65 balance of funds as of June 30 of the preceding year in the Revenue Fund Shortfall Reserve Fund
66 and the Revenue Fund Shortfall Reserve Fund - Part B established in section twenty, article two,
67 chapter eleven-b of this code does not equal or exceed ten percent of the General Revenue Fund
68 budgeted for the fiscal year commencing July 1, of the preceding year.

69 (9) In the case of taxable periods beginning on or after January 1, 2026, a tax is hereby
70 imposed for each taxable year on the West Virginia taxable income of every domestic or foreign
71 corporation engaging in business in this state or deriving income from property, activity or other
72 sources in this state, except corporations exempt under §11-24-5 of this code, at the rate of three
73 and one-quarter (3.25) percent: *Provided*, That the reduction in tax authorized by this subsection

74 shall be suspended for one calendar year subsequent to the occurrence of the suspension of the
75 reduction in tax authorized by subdivision (8) of this section: *Provided, however,* That the
76 reduction in tax on the first day of any calendar year authorized by this subsection shall be
77 suspended if the combined balance of funds as of June 30 of the preceding year in the Revenue
78 Fund Shortfall Reserve Fund and the Revenue Fund Shortfall Reserve Fund - Part B established
79 in section twenty, article two, chapter eleven-b of this code does not equal or exceed 10 percent of
80 the General Revenue Fund budgeted for the fiscal year commencing July 1, of the preceding year.

NOTE: The purpose of this bill is to reduce the corporate net income tax.

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