

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

Introduced

House Bill 4380

**FISCAL
NOTE**

By Delegate White, Browning, Crouse, Dillon,
Hillenbrand, Coop- Gonzolas, Anders, WARD,
Ridenour, Butler, and Dean.

[Introduced January 15, 2026; referred to the
Committee on Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding a new article,
2 designated §11-13-32, relating to the business and occupational tax reform act; and
3 clarifying when business and occupational taxes apply to businesses.

Be it enacted by the Legislature of West Virginia:

ARTICLE 13. BUSINESS AND OCCUPATION TAX REFORM ACT.

§11-13-32. Business and occupation tax reform act.

1 (a) Business and occupation taxes shall be owed in incorporated municipalities where a
2 business maintains a permanent physical presence.

3 (1) If a business maintains permanent offices in more than one municipality, it shall pay
4 business and occupation taxes to each of those jurisdictions based on the revenues generated at
5 those locations.

6 (2) A business shall not be required to pay business and occupation taxes or purchase a
7 business license in a municipality where it does not have a permanent address or long-term
8 establishment.

9 (b) A business shall not be required to pay business and occupation taxes or purchase a
10 business license in a municipality when a business is performing a brief, one-time job or the work
11 location is only temporary.

12 (c) A business shall not be required to file quarterly business and occupation taxes when
13 no tax is owed.

14 (d) When revenues are earned outside of municipal boundaries, the business and
15 occupation taxes shall be paid to the municipality where the business maintains its permanent
16 physical address, based on the business's total gross revenues, regardless of where those
17 revenues are earned.

18 (e) Where a business has multiple permanent locations direct revenues earned within a
19 specific municipal location shall be taxed and paid to that municipality and revenues earned
20 outside any municipal boundary, such as unincorporated areas or out-of-town jobs, shall be

- 21 prorated among the business's permanent locations and this allocation shall be done using a
22 reasonable and consistently applied method, to be established in good faith by the business and
23 retained for audit purposes. This does not include business revenue in another state.
24 (f) If a business chooses to locate in an unincorporated area, no business and occupational
25 tax shall be assessed at the county level.

NOTE: The purpose of this bill is to protect small businesses from excessive paperwork and compliance burdens, encourage economic development in both incorporated and unincorporated areas, align tax responsibility with actual presence and infrastructure usage, and modernize West Virginia's tax policy in a way that supports fairness, growth, and simplicity.

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