

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

ENROLLED

Committee Substitute

for

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for

House Bill 4784

BY DELEGATES BURKHAMMER, MOORE, MAYNOR, KYLE,
B. SMITH, COOPER, D. SMITH, VANCE, DEAN, DRENNAN,
AND HORNBY

[Passed March 12, 2026; in effect 90 days from
passage (June 10, 2026)]

1 AN ACT to amend and reenact §11-24-6b of the Code of West Virginia, 1931, as amended,
2 relating to extending the modification reducing federal taxable income for qualified
3 opportunity zone businesses; defining terms; requiring designation as a qualified
4 opportunity zone business and a qualified opportunity zone under federal law; and
5 providing retrospective effective date.

Be it enacted by the Legislature of West Virginia:

ARTICLE 24. CORPORATION NET INCOME TAX.

**§11-24-6b. Decreasing modification reducing federal taxable income for the income of
Qualified Opportunity Zone Businesses; effective date.**

1 (a) *General.* — In addition to the amounts authorized to be subtracted from federal taxable
2 income pursuant to §11-24-6(c) of this code, there shall be subtracted from federal taxable
3 income, an amount equal to net income included in federal taxable income by a corporate
4 taxpayer in a taxable year that is ordinary income derived from a qualified opportunity zone
5 business located in a qualified opportunity zone located in West Virginia.

6 (b) *Eligibility.* — To be entitled to modification provided for in subsection (a) of this section,
7 the qualified opportunity zone business must be a newly registered business in West Virginia
8 registered on or after January 1, 2019 and before January 1, 2033. Limited liability companies
9 that are treated as corporations for purposes of the federal income tax and West Virginia
10 corporation net income tax and which otherwise qualify in accordance with the requirements and
11 limitations of this section may qualify for the modification authorized under this section.

12 (c) *Duration.* — The modification provided for in subsection (a) of this section shall apply
13 with respect to a taxpayer during the 10-year period beginning with the first full taxable year during
14 which the qualified opportunity zone business first qualifies as a qualified opportunity zone
15 business, or the first year in which the qualified opportunity zone business reports net income:
16 *Provided,* That the qualified opportunity zone business first qualifies as such on or after January
17 1, 2019.

18 (d) The following definitions apply to this section:

19 (1) "Newly registered business" means a business that is formed on or after January 1,
20 2019 and before January 1, 2033, that is first required to obtain a business registration certificate
21 under §11-12-1 *et seq.* of this code from the Tax Commissioner on or after January 1, 2019 and
22 before January 1, 2033, and which is not the reorganization of a business that existed prior to
23 January 1, 2019.

24 (2) "Reorganization of an existing business" includes, but is not limited to, a change in the
25 name of a business, a change in the form of doing business such as, but not limited to, a
26 proprietorship that reorganizes as a partnership or other business entity, a subsidiary that
27 becomes a stand-alone business entity, a division of an existing business that becomes a
28 separate business and any other similar type of business reorganization. For purposes of this
29 definition any entity or organization that is determined by the Tax Commissioner to be an alter
30 ego, nominee or instrumentality of an existing or previously existing business, as determined in
31 accordance with the criteria specified in §11-12-5 of this code is a business resulting from
32 reorganization of an existing business.

33 (3) "Qualified Opportunity Zone Business" means a newly registered business that is
34 designated as a Qualified Opportunity Zone Business pursuant to 26 U.S.C. § 1400Z and serves
35 as an investment of a "Qualified Opportunity Fund".

36 (4) "Qualified Opportunity Fund" has the same meaning as that term is used in 26 U.S.C.
37 § 1400Z.

38 (5) "Qualified Opportunity Zone" means a population census tract that is a low-income
39 community that is designated as a Qualified Opportunity Zone pursuant to 26 U.S.C. § 1400Z.

40 (e) *Rules.* — The Tax Commissioner may propose legislative rules, or promulgate
41 interpretive or procedural rules, as the commissioner deems necessary to carry out the provisions
42 of this section and to provide guidelines and requirements to ensure uniform administrative

43 practices statewide to effect the intent of this section. All rules shall be promulgated in accordance
44 with the provisions of §29A-3-1 *et seq.* of this code.

45 (f) *Effective date; expiration of modification, preservation of entitlement.* — The
46 modification authorized by this section becomes effective and is authorized for taxable years
47 beginning on and after January 1, 2019: *Provided*, That unless sooner terminated by law, the
48 modification authorized by this section will terminate for taxable years beginning on and after
49 January 1, 2033, and no new entitlement to the modification is authorized thereafter: *Provided*
50 *however*, That those taxpayers shall retain that entitlement for the remainder of the 10-year
51 application period over which the original entitlement applies, if the taxpayer otherwise remains
52 in compliance with the requirements of this section. Entitlement to the modification provided for
53 in subsection (a) of this section under the amendment and reenactment of this section in 2026
54 shall be effective retrospectively for taxable years beginning or after January 1, 2024.

The Clerk of the House of Delegates and the Clerk of the Senate hereby certify that the foregoing bill is correctly enrolled.

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Clerk of the House of Delegates

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Clerk of the Senate

Originated in the House of Delegates.

In effect 90 days from passage.

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Speaker of the House of Delegates

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President of the Senate

The within is this the.....
Day of, 2026.

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Governor