

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

Introduced

House Bill 5402

FISCAL
NOTE

By Delegates Clark and Lucas

[Introduced February 10, 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 §11-13NN-1, §11-13NN-2, §11-13NN-3, §11-13NN-4, and §11-13NN-5; and to
 3 amend the code by adding a new section, designated §17-16A-29a, relating to creating a
 4 Distribution Center Refundable Toll Payments Tax Credit Act; defining terms; providing for
 5 use of RFID Tag Reader or comparable systems at qualified distribution centers to compile
 6 toll payments refundable as a tax credit; allowing for rulemaking; and providing for an
 7 effective date.

Be it enacted by the Legislature of West Virginia:

CHAPTER 11. TAXATION.

ARTICLE 13MM. DISTRIBUTION CENTER REFUNDABLE TOLL PAYMENTS TAX

CREDIT.

§11-13NN-1. Short Title.

1 This article may be cited as the "Distribution Center Refundable Toll Payments Tax Credit
 2 Act".

§11-13NN-2. Definitions

1 "Qualified distribution center" means a West Virginia business transporting product or
 2 inventory that are finished and packaged goods for retail sale originating for distribution from the
 3 qualified West Virginia distribution center and return ground transport to the same qualified West
 4 Virginia distribution center.

§11-13NN-3. Distribution Center Refundable Toll Payments Tax Credit.

1 (a) Credit allowed. – There shall be allowed to every business that operates a qualified
 2 distribution center in West Virginia, a Refundable Toll Payments Tax Credit for the taxable year
 3 2026 and continuing for tax years thereafter. Qualified distribution centers may claim a dollar-for-
 4 dollar tax credit for all toll payments paid above \$150,000 via the West Virginia EZ Pass system
 5 registered by RFID Tag Reader or comparable tracking system for tolls paid for ground

6 transportation delivery of product or inventory and return.

§11-13NN-4. Rules.

1 The State Tax Department and the West Virginia Parkways Authority may propose rules for
2 legislative approval in accordance with §29A-3-1 et seq. of this code to carry out the policy and
3 purposes of this article, to provide any necessary clarification of the provisions of this article and to
4 efficiently provide for the general administration of this article.

§11-13NN-5. Effective date.

1 The provisions of this article will be treated as effective as of July 1, 2026, but the credit
2 shall be allowed to be claimed against all toll payments above \$150,000 made within the West
3 Virginia EZ Pass system in Tax Year 2026 and each tax year thereafter.

CHAPTER 17. ROADS AND HIGHWAYS.

ARTICLE 16A. WEST VIRGINIA PARKWAYS AUTHORITY.

§17-16A-29a. Authorization of RFID Tag Reader or comparable systems by qualified distribution centers on West Virginia EZ Pass System.

1 (a) The Parkways Authority is hereby authorized to allow for the use of RFID Tag Reader or
2 comparable systems at qualified distribution centers as defined in §11-13NN-1 et seq. of this code
3 in order to compile the amount of tax creditable toll payments made within the West Virginia EZ
4 Pass system: *Provided*, That tax creditable toll payments made within the West Virginia EZ Pass
5 system by qualified distribution centers may only be allowed for West Virginia EZ Pass system
6 tolls paid for ground transportation of product or inventory that are finished and packaged goods
7 for retail sale and return travel. A tax credit is granted equal to a dollar-for-dollar tax credit for all toll
8 payments paid above \$150,000 to West Virginia Parkways by the qualified distribution center,
9 registered by RFID Tag Reader or comparable system.

10 (b) The provisions of this article will be treated as effective as of July 1, 2026 and apply only
11 to RFID Tag Reader or comparable systems at qualified distribution centers as defined in §11-

12 13NN-1 et seq. of this code in operation on or after that date, but shall be allowed to be claimed
13 against all toll payments above \$150,000 made within the West Virginia EZ Pass system in Tax
14 Year 2026 and each tax year thereafter.

15 (c) For purposes of this section, a "RFID Tag Reader or comparable systems" means a
16 device issued by, or authorized by and registered with, the Parkways Authority which allows
17 qualified distribution centers as defined in §11-13NN-1 et seq. of this code to compile the amount
18 of tax creditable toll payments made travelling through Parkways Authority toll facilities within the
19 West Virginia EZ Pass system trucking only for shipments of product or inventory finished and
20 packaged for retail sale originating from a qualified West Virginia distribution center and trucking
21 return travel to the qualified West Virginia distribution center.

NOTE: The purpose of this bill is to establish the Distribution Center Refundable Toll Payments Tax Credit through use of RFID Tag Reader systems at qualified distribution centers to compile refundable toll payments. The bill allows the promulgation of administrative rules. Finally, the bill provides for an effective date.

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