

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

Introduced

House Bill 5474

FISCAL
NOTE

By Delegates Pritt, Brooks, T. Howell, Leavitt, Hott,
and Clay

[Introduced February 12, 2026; referred to the
Committee on Government Organization then
Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding a new article,
 2 designated §11-28-1, §11-28-2, §11-28-3, §11-28-4, §11-28-5, and §11-28-6, relating to
 3 creating the "Gateway to the Gorge Outdoor Recreation Industry Act" and a tax incentive to
 4 encourage the continued growth of the outdoor recreation economy in West Virginia;
 5 setting forth findings; defining terms, setting forth eligibility; creating the tax credit;
 6 establishing maximum allowable amount of tax credit; setting forth procedure to claim tax
 7 credit; authorizing the Tax Commission to promulgate rules; and setting effective date.

Be it enacted by the Legislature of West Virginia:

ARTICLE 28. GATEWAY TO THE GORGE OUTDOOR RECREATION INDUSTRY ACT

§11-28-1. Short title.

1 This article may be cited as the "Gateway to the Gorge Outdoor Recreation Industry Act".

§11-28-2. Legislative findings and purpose.

1 (a) Purpose and intent. The West Virginia Legislature finds that the continued growth of the
 2 outdoor recreation economy in this state is vital to the goal of further diversifying its economy. In
 3 order to incentivize the continued growth of this industry between Charleston and the New River
 4 Gorge, thereby increasing employment opportunities, economic development and the general
 5 welfare of the people of this state, there is hereby provided an outdoor recreation industry tax
 6 credit.

7 (b) Leveraging Natural Resources. The establishment of the New River Gorge has
 8 provided a new destination for outdoor recreation enthusiasts from around the country. In addition,
 9 the Kanawha State Forest has long provided outdoor recreation opportunities for residents in and
 10 around Charleston. By leveraging the ease of access to a variety of recreational opportunities, not
 11 limited to those listed above, but also including the Hatfield & McCoy and Appalachian Outlaw
 12 Trails, the Mammoth Preserve in Kanawha County, and many others, the area between
 13 Charleston and the New River Gorge can offer a multitude of opportunities for employers whose
 14 workforce desires the low-cost and easy-to-access activities listed here.

15 (c) Conditions for Remote Workers. The Ascend Program, and its recently headquartered
16 offices in Charleston, provide an ideal mechanism for bringing remote employees to West Virginia
17 who desire to live in areas that provide the low-cost and easy-to-access outdoor recreation
18 opportunities listed above.

19 (d) Key Indicators for long Term Economic Success. The Gateway to the Gorge provides
20 several advantages to attract new outdoor recreation industry participants:

21 (1) Charleston is home to the West Virginia International Yeager Airport (Yeager Airport),
22 and the Raleigh County Memorial Airport is a short drive from Fayetteville, providing two access
23 points for managers and employees.

24 (2) The U.S. Route 19 via 1-64 provides direct road transportation between Charleston and
25 the New River Gorge, allowing visitors and residents to freely and easily travel between these two
26 points as they access the Gateway to the Gorge.

27 (3) Studies have concluded that the long-term health of company culture and employee
28 morale rest heavily on the opportunities outside of work provided to employees. By leveraging the
29 opportunities listed above and elsewhere in this article, outdoor recreation businesses that locate
30 in this area will have the ability to attract and retain employee talent, ensuring their long-term
31 success and ability to stay in West Virginia.

32 (e) Outdoor Recreation Attracts Mission Driven Employees. Young professionals who
33 apply to work in the outdoor recreation industry frequently do so because their interests outside of
34 work overlap with the goals of their employers. The Gateway to the Gorge is uniquely positioned to
35 provide the quality of life that these employees are looking for while the Outdoor Recreation
36 Industry Tax Credit can similarly incentivize employers to locate new business operations in the
37 state.

38 (f) Diversification of Opportunities for Young Professionals. By encouraging the outdoor
39 recreation industry to locate in the Gateway to the Gorge, the young professionals of West
40 Virginia, including those coming from nearby colleges and universities, such as Marshall

41 University, University of Charleston, West Virginia University, and others can find greater and more
42 diverse career options not currently available, including marketing and communications, research
43 and development, sales and business development, supply chain and logistics, among others.

44 (g) Conclusion. By enacting targeted economic incentives, paired with the natural
45 advantages inherent to the Gateway to the Gorge, West Virginia can attract new and varied
46 businesses to our state and position itself as the home of a growing industry that offers desirable
47 employment opportunities, a growing tax base, and a future for young people to stay in West
48 Virginia, thereby providing societal benefits not just to the individual employees and businesses,
49 but to their families and the culture of West Virginia. The legislature commits to continued support
50 of policies that will grow this vital sector of the economy in the future by examining further steps for
51 a business hub, workforce development, enhanced outdoor recreation opportunities,
52 conservation, and more that are deemed necessary for the Gateway to the Gorge to become the
53 home of the outdoor recreation industry.

§11-28-3.

Definitions.

1 (a) General. When used in this article, or in the administration of this article, terms defined
2 in subsection (b) of this section shall have the meanings ascribed to them by this section, unless a
3 different meaning is clearly required by either the context in which the term is used, or by specific
4 definition in this article.

5 (b) Terms defined.

6 "Eligible Taxpayer" means any business or individual that is subject to the taxes imposed
7 under §11-13-1 et seq. and §11-24-1 et seq.; or §11-21-1 et seq. of this code and whose primary
8 business activities are directly related to the outdoor recreation industry as defined in this code
9 and located within the Gateway to the Gorge as defined in this code.

10 "Gateway to the Gorge" means the geographic area of West Virginia traversed by U.S.
11 Route 19 via 1-64 including the western-most point of Charleston and South Charleston
12 continuing down to the southeastern-most point of the New River Gorge, bordered by the Gauley

13 River National Recreation Area to the north, encompassing parts of Lincoln, Kanawha, Boone,
14 Raleigh, Summers, Fayette, Mercer, Greenbrier, Clay, and Nicholas Counties.

15 "Outdoor Recreation Industry" means businesses that facilitate, manufacture or sell
16 products and services for leisure activities that occur outdoors, including but not limited to the
17 following:

18 Camping;

19 Fishing;

20 Hunting;

21 Snowboarding;

22 Skiing;

23 Trail Sports, e.g. endurance racing, hiking, racing;

24 Wheel Sports, e.g. mountain biking, cycling;

25 Wildlife Viewing;

26 Bird Watching;

27 Caving;

28 Canoeing;

29 Horseback riding;

30 All-terrain vehicle riding;

31 Kayaking;

32 Mountaineering;

33 Outdoor Photography;

34 Rafting;

35 Rappelling;

36 Rock climbing;

37 Slacklining;

38 Shooting;

39 Snowmobiling.
 40 "Remote Worker" for the purposes of this act means any individual full-time or part-time
 41 employee of a business in the outdoor recreation industry who lives in the Gateway to the Gorge
 42 as defined in this article.

§11-28-4. Eligibility criteria.

1 (a) For businesses to qualify for the incentives outlined in this act relating to §11-13-1 et
 2 seq. and §11-24-1 et seq. of this code, an outdoor recreation industry business shall meet the
 3 following criteria:

- 4 (1) Be located within the Gateway to the Gorge;
- 5 (2) Create five new jobs directly associated with the outdoor recreation industry; or
- 6 (3) Make a new capital investment of at least \$1 million on or after July 1, 2026.

7 (b) For individuals to qualify for the incentives outlined in this act relating to §11-21-1 et
 8 seq. of this code, the individuals shall meet the following criteria:

- 9 (1) Be located within the Gateway to the Gorge;
- 10 (2) Be employed on a full or part-time basis in the outdoor recreation industry.

§11-28-5. Application of Credit.

1 (a) Amount of credit. - For those tax years beginning on or after July 1, 2026, eligible
 2 taxpayers will be allowed a tax credit in the amount of 80 percent of that entity's tax liability for that
 3 year.

4 (b) Application of annual credit allowance. - The credit created by this article is allowed as a
 5 credit against the taxpayer's state tax liability applied as provided in subdivisions (1), (2), and (3) of
 6 this subsection after application of any other credits.

7 Corporation net income taxes. - Any credit for eligible taxpayers is first applied to reduce
 8 the taxes imposed by §11-24-1 et seq. of this code for the taxable year.

9 Business and occupation taxes.- Any remaining credits are then applied to taxes imposed
 10 by §11-13-1 et seq. of this code for the taxable year.

11 Personal income taxes. - For remote workers in the outdoor recreation industry as defined
 12 in this Act, credits are applied directly to taxes imposed by §11-21-1 et seq. of this code for the
 13 taxable year.

14 Unused credit.- A carryback to a prior taxable year is not allowed for the amount of any
 15 unused portion of any annual credit allowance. If the amount of the allowable credit exceeds the
 16 taxpayer's tax liability for the taxable year, the amount which exceeds the tax liability may be
 17 carried over and applied as a credit against the tax liability of the taxpayer pursuant to §11-21-1 et
 18 seq. or §11-24-1 et seq. of this code for each of the next 10 taxable years following the year of
 19 creation of the tax credit.

§11-28-6. Rules.

1 The Tax Commissioner shall promulgate rules to ensure compliance, including audit
 2 procedures, and prescribing forms and deadlines for the application process.

NOTE: The purpose of this bill is to create of a tax incentive to encourage the continued growth of the outdoor recreation economy in West Virginia to be known as the "Gateway to the Gorge Outdoor Recreation Industry Act".

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