WEST VIRGINIA CODE: §11-12B-3

§11-12B-3. Imposition of tax, credit.

(a) Imposition of tax. – Upon every person exercising the privilege of engaging within this state in severing, extracting, reducing to possession, or producing coal for sale, profit, or commercial use, there is hereby imposed an annual minimum severance tax equal to 50 cents per ton of coal produced by the taxpayer for sale, profit or commercial use during the taxable year: *Provided*, That for taxable years ending after May 31, 1993, the minimum severance tax imposed on coal produced by the taxpayer for sale, profit, or commercial use during such taxable year shall be 75 cents per ton, with such rate increase to apply only to tons of coal produced after May 31, 1993: *Provided, however*, That for taxable years ending after December 31, 1999, the minimum severance tax on coal may not be imposed on any ton of coal mined by underground methods from seams with an average thickness of 45 inches or less produced on or after April 1, 2000, on which the severance tax is imposed by §11-13A-3 of this code.

(b) Credit against the severance tax imposed under §11-13A-1 *et seq*. of this code – A person who pays the minimum severance tax imposed by this article shall be allowed a credit against the severance tax imposed on the privilege of producing coal by §11-13A-3 of this code, but not including the additional severance tax on coal imposed by §11-13A-6 of this code or, for taxable years ending after December 31, 1999, the severance tax imposed by the provisions of §11-13A-3 of this code on coal mined by underground methods from seams with an average thickness of 45 inches or less produced on or after April 1, 2000. The amount of credit allowed shall be equal to the liability of the taxpayer for the taxable year for payment of the minimum severance tax on coal imposed by this article: *Provided*, That the amount of credit allowed by this section may not exceed the severance tax liability of the taxpayer for the taxable year determined under §11-13A-3 of this code exclusive of the additional tax on coal imposed by §11-13A-6 of this code and, for taxable years ending after December 31, 1999, of the severance tax imposed by §11-13A-3 of this code on coal mined by underground methods from seams with an average thickness of 45 inches or less produced on or after April 1, 2000, after application of all credits to which the taxpayer may be entitled except any credit allowed pursuant to §5E-1-1 *et seq*. of this code, any credit for installment payments of estimated tax paid pursuant to §11-12B-6 of this code during the taxable year, and any credit for overpayment of the severance tax imposed under §11-13A-1 *et seq*. Notwithstanding anything herein to the contrary, in no event may the credit allowed under §5E-1-1 *et seq*. of this code be allowed as a credit against the minimum severance tax imposed by this article.

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