WEST VIRGINIA CODE: §11-13D-4

§11-13D-4. Eligible investment for industrial expansion or revitalization.

(a) General. -- The eligible or qualified investment in property purchased for industrial expansion or revitalization shall be the applicable percentage of the cost of each property purchased for the purpose of industrial expansion or revitalization, which is placed in service or use in this state, by the eligible taxpayer during the taxable year.

(b) Applicable percentage. -- For the purposes of subsection (a), the applicable percentage for any property shall be determined under the following table:

If useful life is: The applicable percentage is:

4 years or more but less than 6 years 33 1/3

6 years or more but less than 8 years 66 2/3

8 years or more 100

The useful life of any property for purposes of this section shall be determined as of the date such property is first placed in service or use in this state by the taxpayer, determined in accordance with federal income tax law.

(c) Cost. -- For purposes of subsection (a), the cost of each property purchased for industrial expansion or revitalization, or for conduct of an eligible research and development project, shall be determined under the following rules:

(1) Trade-ins. -- Cost shall not include the value of property given in trade or exchange for the property purchased for industrial expansion or revitalization.

(2) Damaged, destroyed or stolen property. -- If property is damaged or destroyed by fire, flood, storm or other casualty, or is stolen, then the cost of replacement property shall not include any insurance proceeds received in compensation for the loss.

(3) Rental property. -- The cost of property acquired by lease for a term of ten years or longer shall be one hundred percent of the rent reserved for the primary term of the lease, not to exceed twenty years.

(4) Property purchased for multiple use. -- The cost of property purchased for multiple business use including use as a component part of a new or expanded or revitalized industrial business, together with some other business or activity not eligible for credit under this article, shall be apportioned between such businesses and occupations. The amount apportioned to the new or expanded or revitalized industrial business, shall be considered to be as an eligible investment, subject to the conditions and limitations of this

WV Legislature

section.

(5) Self-constructed property. -- In the case of self-constructed property, the cost thereof shall be the amount properly charged to the capital account for purposes of depreciation.

WV Legislature