WEST VIRGINIA CODE: §11-13KK-3

§11-13KK-3. Amount of credit allowed.

(a) *Credit allowed*. — Notwithstanding any other provision of this code, eligible taxpayers are allowed a credit against the portion of taxes imposed by this state that are attributable to and the consequence of the taxpayer's qualified investment in a new or expanded small arms and ammunition manufacturing facility in this state: *Provided*, That such qualified investment is equal to or greater than $2 million. The amount of this credit is determined and applied as provided in this article.

(b) *Amount of credit*. — The amount of credit allowable is 100 percent of amount of federal excise tax paid in a tax year under section 4181, Title 26 of the Internal Revenue Code, which are attributable to and the consequence of the taxpayer's qualified investment. The product of this calculation establishes the maximum amount of credit allowable under this article due to the qualified investment.

(c) *Application of credit over 10 years*. — The amount of credit allowable shall be taken over a 10-year period, beginning with the taxable year in which the taxpayer places the qualified investment in service or use in this state, unless the taxpayer elected to delay the beginning of the 10-year period until the next succeeding taxable year. This election shall be made in the annual income tax return filed under this chapter for the taxable year in which qualified investment is first placed into service or use by the taxpayer. Once made, the election cannot be revoked. The annual credit allowance is taken in the manner prescribed in §11-13KK-4 of this code.

(d) *Placed in service or use*. — For purposes of the credit allowed by this section, property is considered placed in service or use in the earlier of the following taxable years:

(1) The taxable year in which, under the taxpayer's depreciation practice, the period for depreciation with respect to the property begins; or

(2) The taxable year in which the property is placed in a condition or state of readiness and availability for a specifically assigned function.

WV Legislature