WEST VIRGINIA CODE: §11-13R-7

§11-13R-7. Forfeiture of unused tax credits; redetermination of credit allowed.

(a) Disposition of property or cessation of use. -- If during any taxable year, property with respect to which a tax credit has been allowed under this article:

(1) Is disposed of prior to the end of its useful life, as determined under section four of this article; or

(2) Ceases to be used in a qualified research and development activity of the taxpayer in this state prior to the end of its useful life, as determined under section four of this article, then the unused portion of the credit allowed for such property is forfeited for the taxable year and all ensuing years. Except when the property is damaged or destroyed by fire, flood, storm or other casualty, or is stolen, the taxpayer shall redetermine the amount of credit allowed in all earlier years by reducing the applicable percentage of cost of such property allowed under section four of this article, to correspond with the percentage of cost allowable for the period of time that the property was actually used in the qualified research and development activity of the taxpayer. The taxpayer shall then file a reconciliation statement with its annual return filed under article twenty-three of this chapter, for the year in which the forfeiture occurs and pay any additional taxes owed due to reduction of the amount of credit allowable for such earlier years, plus interest and any applicable penalties.

WV Legislature