WEST VIRGINIA CODE: §11-13U-3

§11-13U-3. Definitions.

As used in this article, the following terms have the meanings ascribed to them in this section, unless the context in which the term is used clearly requires another meaning or a specific different definition is provided:

(1) "Alter ego" means a qualified research and development company where one or more of the following criteria are satisfied in relation to the eligible taxpayer:

(A) The ownership of the business is "substantially related" to the ownership of the eligible taxpayer. "Substantially related" means a five percent or more common ownership interest; or

(B) The board of directors of the qualified research and development company is controlled by the eligible taxpayer: Provided, That an eligible taxpayer is deemed to have control of the board of directors of a qualified research and development company if it controls a simple majority of the board of directors.

(2) "Corporate headquarters" means the place at which the corporation has its commercial domicile and from which the business of the corporation is primarily conducted.

(3) "Eligible taxpayer" means a person that has received certification from the economic development authority that a portion of the annual available high growth business investment credit has been allocated to it, that is subject to the tax imposed by either article twenty-three, article twenty-four or article twenty-one of this chapter, and that has made a qualified investment in a qualified research and development credit company.

(4) "Person" includes any natural person, corporation, limited liability company, or partnership.

(5) "Qualified investment" means an equity financing of a West Virginia qualified strategic research and development company. The investment must be in cash or cash equivalents and may not be an exchange of in-kind property.

(6) "Qualified research and development company" for purposes of the high growth business investment tax credit means an entity that has been certified by the State Tax Commissioner as eligible for the West Virginia research and development tax credit set forth in article thirteen-r, chapter eleven of this code, that has annual gross receipts of less than $20 million and has annual payroll of less then $2,500,000.

(7) "Tax credit" means the high-growth business development tax credit authorized by this article.

WV Legislature

(8) "Taxable year" means the tax year of the eligible taxpayer.

WV Legislature