WEST VIRGINIA CODE: §11-23-17

§11-23-17. Credits against tax; expiration of credits.

(a) A credit shall be allowed against the tax imposed by this article equal to the amount of franchise tax liability due under this article, for the taxable year (determined before application of other allowable credits) multiplied by a fraction, the numerator of which is the gross income of the business subject to tax under article thirteen-a of this chapter and the denominator of which is the total amount of gross receipts derived from or attributable to all of taxpayer's activity in West Virginia.

(b) For taxable years ending after June 30, 1998, a credit shall be allowed against the tax imposed by this article equal to the amount of franchise tax liability due under this article, for the taxable year (determined before application of other allowable credits) multiplied by a fraction, the numerator of which is the gross income of the business subject to tax under article thirteen of this chapter and the denominator of which is the total amount of gross receipts derived from or attributable to all of taxpayer's activity in West Virginia: Provided, That such credit shall be prorated and only that amount attributable to months of the taxable year beginning after June 30, 1988, shall be allowed as a credit.

(c) A parent taxpayer who files a separate return under this article shall be allowed a credit against such taxpayer's liability for the tax under this article for the amount of net taxes that would have been paid without regard to the adjustment required by subparagraph (D), paragraph (2), subsection (b), section three of this article for the taxable year by a subsidiary corporation or partnership: Provided, That the amount of credit allowed shall not exceed the amount of tax that would have been paid, without regard to such adjustment, under this article by the subsidiary or partnership, multiplied by the percentage of the parent's ownership of the subsidiary corporation or partnership. In the case of corporations, this percentage shall be equal to the percentage of stock of all classes owned by the parent. In no case shall any credit allowable by this section, which is not used on an annual return, be carried forward or back, but instead the same shall be forfeited.

(d) A credit shall be allowed against the tax imposed by this article for the taxable year equal to the amount of liability of the taxpayer for the taxable year for the full amount of any tax imposed pursuant to article eight of this chapter on the capital of the business, as determined under sections fourteen and fourteen-a, article three of this chapter.

(e) Expiration of credits. -- The credits authorized in subsection (a) of this section, shall expire and not be authorized or allowed for any taxable month beginning on or after March 1, 1989. For taxable years beginning before said March 1, and ending after such date, the annual credit heretofore allowed by subsection (a) of this section shall be prorated by the number of months in the taxable year and only that portion of the credit attributable to months ending prior to said first day of March shall be allowable under this section.

WV Legislature