WEST VIRGINIA CODE: §11-6N-4

§11-6N-4. Special Rules for Tax Distribution of High Impact Data Centers.

(a) On and after July 1, 2025, any property subject to valuation under §11-6N-3 of this code shall be subject to the rules on tax distribution provided under this section.

(b) The State Auditor shall maintain a separate and discrete accounting of each High Impact Data Center project regarding tax distribution provided in this section and any distribution to which a county is entitled as provided by this section shall be distributed directly to the situs county for each project.

(c) Ad Valorem Property Tax Distribution — The provisions of this subsection are applicable to all data center property of a high impact data center upon certification as a high impact data center per §11-6N-2 of this code.

(1) For so long as the high impact data center exists, the State Auditor shall divide the ad valorem property tax revenue collected, with respect to taxable data center property of a high impact data center as follows:

(A) The amount of ad valorem property tax revenue that should be generated by multiplying the assessed value of the property for the then current tax year by the aggregate of applicable levy rates for the tax year;

(B) The amount of ad valorem property tax revenue that should be generated by multiplying the base assessed value of the property by the applicable regular ad valorem levy rates for the tax year;

(C) The amount of ad valorem tax revenue that should be generated by multiplying the base assessed value of the property for the current tax year by the applicable levy rates for general obligation bond debt service for the tax year;

(D) The amount of ad valorem property tax revenue that should be generated by multiplying the current assessed value of the property for the current tax year by the applicable excess levy rates for the tax year; and

(E) The amount of ad valorem property tax revenue that should be generated by multiplying the incremental value by the applicable regular levy rates for the tax year.

(2) The State Auditor shall determine from the calculations set forth in subdivision (1) of this subsection the percentage share of total ad valorem revenue for each levying body according to paragraphs (B) through (D), inclusive, of said subdivision by dividing each of such amounts by the total ad valorem revenue figure determined by the calculation in paragraph (A) of said subdivision; and

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(3) On each date on which ad valorem tax revenue is to be distributed to the levying bodies, such revenue shall be distributed by:

(A) Applying the percentage share determined according to paragraph (B), subdivision (1) of this subsection to the revenues received and distributing such share to the levying bodies entitled to such distribution pursuant to current law;

(B) Applying the percentage share determined according to paragraph (C), subdivision (1) of this subsection to the revenues received and distributing such share to the levying bodies entitled to such distribution by reason of having general obligation bonds outstanding;

(C) Applying the percentage share determined according to paragraph (D), subdivision (1) of this subsection to the revenues received and distributing such share to the levying bodies entitled to such distribution by reason of having excess levies in effect for the tax year; and

(D) Applying the percentage share determined according to paragraph (E), subdivision (1) of this subsection to the revenues received and distributing such share to a fund dedicated at the time of construction of a high impact data center.

(4) In each year for which there is a positive tax increment, the State Auditor shall remit that portion of the ad valorem property taxes collected that consists of the tax increment and shall be distributed as follows:

(A) 50 percent of the increment shall be placed in the Personal Income Tax Reduction Fund provided in §11B-2-33 of this code;

(B) 30 percent of the increment to the situs county as defined in this article;

(C) 10 percent of the increment to all counties on a per capita basis according to the most recent census;

(D) 5 percent of the increment shall be placed Economic Enhancement Grant Fund administered by the Water Development Authority provided in §22C-1-6a; and

(E) 5 percent of the increment shall be placed in the Electric Grid Stabilization and Security Fund provided in §5B-2N-2a.

(5) (A) Payment In Lieu Of Taxes, Increment Property — Notwithstanding the provisions of §5D-1-14, §7-5-13, §7-11B-3(b), §7-11B-8(c)(4), §7-11B-15(a)(7), §7-11B-15(a)(15), §7-11B-18, §8-19-4, §8-29A-7, §8A-12-12, §11-13-2p, §11-13C-5(l)(1)(A), §16-13A-21, §16-15-18(b)(6), §17-16A-16(b), §17-16B-20(b), §18-9A-12(c), §31-21-5, and §31-21-15 of this code, or any other provision of this code, no payment in lieu of taxes shall be entered into with relation to any property subject to this section or any leasehold interest related thereto, or any other property interest related thereto.

(B) Tax Increment Financing, Increment Property — Notwithstanding the provisions of

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§7-11B-1 *et seq*. of this code, or any other provision of this code, no tax increment financing project, plan or arrangement shall be entered into or undertaken with relation to any property subject to this section.

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