WEST VIRGINIA CODE: §18-25-1

§18-25-1. Authority to make tax deferred investments for teachers and other employees.

A county board of education, the Teachers' Retirement Board, the West Virginia Board of Education and the Department of Education and the arts and their agencies may provide by written agreement between the department, any such board or agency and any teacher or other employee to reduce the cash salary payable to the teacher or other employee, and, in consideration thereof, to pay an amount equal to the amount of the reduction as premiums on an annuity contract or investments into a custodial account or other investment owned by the teacher or other employee. The annuity contract, custodial account or other investment shall be in such form and upon such terms as will qualify the payments thereon for tax deferment under the United States Internal Revenue Code. The amount of the reduction may not exceed the amount excludable from income under the United States Internal Revenue Code, and amendments and successor provisions thereto, and shall be considered a part of the teachers or employees salary for all purposes other than federal and state income tax.

The transaction of making the tax deferred investment for a teacher or other employee by a Board of Education, the Teachers' Retirement Board, the West Virginia Board of Education and the Department of Education and the arts and their agencies imposes no liability nor responsibility whatsoever on the boards, department or members thereof except to show that the payments have been remitted for the purposes for which deducted.

WV Legislature