WEST VIRGINIA CODE: §31e-13-1309

§31E-13-1309. Liquidating distribution of assets.

(a) The assets of a corporation in the process of dissolution are to be applied and distributed as follows: (1) All liabilities and other obligations of the corporation are to be paid, satisfied and discharged, or adequate provision made for their payment, satisfaction and discharge; (2) assets held by the corporation upon condition requiring return, transfer or conveyance, which condition occurs by reason of the dissolution, are to be returned, transferred or conveyed in accordance with the conditions; (3) assets received and held by the corporation subject to limitations permitting their use only for charitable, religious, eleemosynary, benevolent, educational or similar purposes, but not held upon a condition requiring return, transfer or conveyance by reason of the dissolution, are to be transferred or conveyed to one or more domestic or foreign corporations, societies or organizations engaged in activities substantially similar to those of the dissolving corporation, pursuant to a plan of distribution adopted as provided in section one thousand three hundred eight of this article; (4) other assets, if any, are to be distributed pro rata among the members of the corporation except to the extent that the articles of incorporation determines the distributive rights of members, or any class or classes of members, or provides for distribution to others; and (5) any remaining assets may be distributed to persons, societies, organizations or domestic or foreign corporations, whether for profit or nonprofit, as may be specified in a plan of distribution adopted as provided in section one thousand three hundred eight of this article.

(b) No final liquidating distribution of assets may be made by a dissolved corporation until the corporation has obtained a current statement or statements from the Tax Commissioner and Bureau of Employment Programs to the effect that all taxes due from the corporation under the provisions of chapter eleven of this code, including, but not limited to, taxes withheld under the provisions of section seventy-one, article twenty-one of said chapter eleven of this code, all business and occupation taxes, motor carrier and transportation privilege taxes, gasoline taxes, consumer sales taxes and any and all license franchise or other excise taxes and corporate net income taxes, and employment security payments levied or assessed against the corporation seeking to dissolve have been paid or that the payment has been provided for, or until the Secretary of State received a notice from the Tax Commissioner or Bureau of Employment Programs, as the case may be, stating that the corporation in question is not subject to payment of any taxes or to the making of any employment security payments or assessments.

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