WEST VIRGINIA CODE: §46A-6H-1

§46A-6H-1. Definitions.

For the purposes of this article:

(1) "Closing date" means the date the transfer agreement is executed by the consumer and the transferee, and shall be at least fourteen days after the requisite disclosures have been provided to the consumer and interested parties.

(2) "Consumer" means any person entitled to receive periodic future payments from an annuity issuer, settlement obligor or any other party as the result of an annuity, settlement, lottery winnings, sweepstakes payoff or other future payment arrangement.

(3) "Discounted present value" means the fair present value of future payments, as determined by discounting such payments to the present using the most recently published applicable federal rate for determining the present value of an annuity, as issued by the United States Internal Revenue Service.

(4) "Favorable tax determination" means, with respect to a proposed transfer of structured settlement payment rights, any of the following authorities that are applicable to the parties to such transfer and on the parties to the structured settlement agreement and any qualified assignment agreement and establish that the federal income tax treatment of the structured settlement for the parties to the structured settlement agreement and any qualified assignment agreement, other than the consumer, will not be adversely affected by such transfer:

(i) A United States Treasury regulation;

(ii) A published ruling by the United States Internal Revenue Service;

(iii) A private letter ruling by the United States Internal Revenue Service with respect to such transfer; or

(iv) Other applicable legal authority that is binding on the United States Internal Revenue Service.

(5) "Interested party" means an insurance company, an annuity issuer, a structured settlement obligor, a lottery, a beneficiary irrevocably designated in an agreement to receive future payments following the consumer's death or other entity obligated to pay to a consumer any future payments or any other party that has continuing rights or obligations under the structured settlement agreement.

(6) "Qualified assignment agreement" means an agreement providing for a qualified assignment within the meaning of section 130 of the United States Internal Revenue Code,

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United States Code Title 26, as amended from time to time.

(7) "Structured settlement" means an arrangement whereby a settlement obligor, an annuity issuer or other person agrees to make future payments to a consumer in resolution of a personal injury or other claim.

(8) "Structured settlement payment rights" means the right to receive periodic payments, including lump sum payments, under a structured settlement from a settlement obligor, annuity issuer, or other person.

(9) "Transfer" means any sale, assignment or other conveyance of future payment rights by a consumer to a transferee for consideration.

(10) "Transfer agreement" means an agreement providing for the transfer of future payment rights from a consumer to a transferee.

(11) "Transferee" means any person or entity that becomes entitled to receive a consumer's future payments as a result of a transfer agreement and includes companies in the business of purchasing future payments.

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