WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1937

ENROLLED

(By Mr. Com. on App. & Finance)

PASSED March 13, 1937

In Effect from Passage
AN ACT to amend and reenact sections three, thirty, thirty-three and forty-two, article thirteen-a, chapter eleven of the code of West Virginia, one thousand nine hundred thirty-one, as amended by chapter eighty-nine, acts of the Legislature, regular session, one thousand nine hundred thirty-five, relating to personal net income tax.

Be it enacted by the Legislature of West Virginia:

That sections three, thirty, thirty-three and forty-two, article thirteen-b, chapter eleven of the code of West Virginia, one thousand nine hundred thirty-one, as amended by chapter eighty-nine, acts of the Legislature, one thousand nine hundred thirty-five, be amended and reenacted to read as follows:
Article XIII-B.

Section 3. Graduated Tax on Net Income of Residents of State. Every resident of this state annually shall pay upon his entire net income, after deducting exemptions provided in section thirty-three of this article, a tax computed on the following rates:

On the first one thousand dollars of net income or any part thereof, one per cent.

On the second one thousand dollars of net income or any part thereof, two per cent.

On the third one thousand dollars of net income or any part thereof, three per cent.

On all net income in excess of three thousand dollars, four per cent.

Sec. 30. Determination of Gain or Loss from Sale of Property. The basis for determining the gain or loss from the sale or other disposition of property, real, personal or mixed, shall be, in the case of property:

1. Acquired before January first, one thousand nine hundred thirty-five, the fair market price as of that date; and if
7 acquired after January first, one thousand nine hundred
8 thirty-five, the actual cost.
9 2. Included in the last preceding inventory used in de-
10 termining net income in a return under this article, the in-
11 ventory value.
12 The final distribution to the taxpayer of the assets of a
13 corporation shall be treated as a sale of the stock or securities
14 of the corporation owned by him, and the gain or loss shall
15 be computed accordingly.

Sec. 33. Allowable Deductions from Net Income. There
2 shall be deducted from net income the following exemptions:
3 1. In the case of a single individual, a personal exemption
4 of one thousand dollars;
5 2. In the case of a head of the family or a married person
6 living with husband or wife, a personal exemption of two
7 thousand dollars. A husband and wife living together shall
8 receive but one personal exemption. If such husband and
9 wife make separate returns, the personal exemption may be
10 taken by either or divided between them;
11 3. Three hundred dollars for each individual (other than
12 husband and wife) dependent upon and receiving his chief
support from the taxpayer, if such dependent individual is
under eighteen years of age or is incapable of self-support
because mentally or physically defective;
4. If the status of the taxpayer, insofar as it affects the
exemptions allowed by this section, changes during the tax
year, such exemptions shall be apportioned, under rules and
regulations prescribed by the tax commissioner.

Sec. 42. Reports to Tax Commissioner by Employer of
Yearly Salaries and Other Payments. In order to aid in
the effective administration of this article and the procure-
ment of complete returns, the tax commissioner, under such
reasonable rules and regulations as are necessary, may re-
quire a person who pays during the calendar year, within
this state, in excess of one thousand dollars to a single person
or in excess of two thousand dollars to a married person ac-
tually living with husband or wife, as salary, compensation
for personal services, or for fixed or determined gain, profit
or income, to report every such payment and the name and
address of the recipient, if known, to such tax commissioner.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the.................................................................

Takes effect.................................................................passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within.................................................................this the..............

day of........................................, 1937.

Governor.

Filed in the office of the Secretary of State of West Virginia. MAR 19 1937

Wm. S. O'Brien,
Secretary of State