

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1968

ENROLLED

SENATE BILL NO. 116

(By Mr. Cram, Mr. President,  
and Mr. McCrack)

PASSED February 6, 1968

In Effect from Passage

FILED IN THE OFFICE  
ROBERT D. BAILEY  
SECRETARY OF STATE  
THIS DATE 2-16-68

# 116

**ENROLLED**

**Senate Bill No. 116**

(By MR. CARSON, MR. PRESIDENT, AND MR. McCOURT)

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[Passed February 6, 1968; in effect from passage.]

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AN ACT to amend and reenact section five, article twenty-four, chapter eleven of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to the exemption from the corporation net income tax act of corporations exempt from federal income tax and insurance companies paying a tax on premiums to the state.

*Be it enacted by the Legislature of West Virginia:*

That section five, article twenty-four, chapter eleven of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

**ARTICLE 24. CORPORATION NET INCOME TAX.**

**§11-24-5. Corporations exempt from tax.**

1 The following corporations shall be exempt from the  
2 tax imposed by this article to the extent provided in this  
3 section:

4 (a) Corporations which by reason of their purposes or  
5 activities are exempt from federal income tax: *Provided,*  
6 That this exemption shall not apply to the unrelated busi-  
7 ness income, as defined in the internal revenue code, of  
8 any such corporation if such income is subject to federal  
9 income tax.

10 (b) Banks, banking associations, trust companies,  
11 building and loan associations, and savings and loan asso-  
12 ciations.

13 (c) Insurance companies which pay this state a tax  
14 upon premiums.

15 (d) Production credit associations organized under the  
16 provisions of the federal "Farm Credit Act of 1933":  
17 *Provided,* That this exemption shall not apply to corpora-  
18 tions or associations organized under the provisions of  
19 article four, chapter nineteen of this code.

20 (e) Corporations electing to be taxed under subchapter  
21 S of the Internal Revenue Code of one thousand nine  
22 hundred fifty-four, as amended.

23 (f) Trusts established pursuant to section one hundred  
24 eighty-six, chapter seven, title twenty-nine of the code of  
25 the laws of the United States (enacted as section three  
26 hundred two (c) of the labor management relations act,  
27 one thousand nine hundred forty-seven), as amended  
28 prior to the first day of January, one thousand nine hun-  
29 dred sixty-seven.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

*William Tompa*  
Chairman Senate Committee

*Clayton C. Davidson*  
Chairman House Committee

Originated in the Senate.

To take effect from passage.

*Howard Meyer*  
Clerk of the Senate

*Cl. Blackenship*  
Clerk of the House of Delegates

*Howard W. Carson*  
President of the Senate

*H. Lahan White*  
Speaker House of Delegates

The within *approved* this the *14*  
day of *February*, 1968.

*Hullett C. Smith*  
Governor



PRESENTED TO THE  
GOVERNOR

Date 2/12/68

Time 3:01 P.M.

RECEIVED

FEB 15 1 30 PM '68

OFFICE OF  
SECRETARY OF STATE  
STATE OF WEST VIRGINIA