WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1973

ENROLLED

HOUSE BILL No. 658

(By Miss Herndon)

PASSED April 14, 1973
In Effect

FILED IN THE OFFICE
EDGAR F. RISKELL
SECRETARY OF STATE
THIS DATE 5/13/73
AN ACT to amend and reenact section twelve, article twenty-one, chapter eleven of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to West Virginia adjusted gross income of resident individual; relating to definition of federal adjusted gross income, providing for modifications increasing federal adjusted gross income; providing for modifications reducing federal adjusted gross income; providing a new modification reducing federal adjusted gross income for persons above the age of sixty-five; providing a new modification reducing federal adjusted gross income for persons serving in the armed forces of the United States; providing for modification for West Virginia fiduciary adjustment; providing for modifications for partners and for husband and wife filing separately.

Be it enacted by the Legislature of West Virginia:

That section twelve, article twenty-one, 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 21. PERSONAL INCOME TAX.

§11-21-12. West Virginia adjusted gross income of resident individual.

(a) General.—The West Virginia adjusted gross income of a resident individual means his federal adjusted gross income as defined in the laws of the United States for the taxable year with the modifications specified in this section.

(b) Modifications increasing federal adjusted gross income.—There shall be added to federal adjusted gross income:

(1) Interest income on obligations of any state other than this state, or of a political subdivision of any such other state unless created by compact or agreement to which this state is a party;

(2) Interest or dividend income on obligations or securities of any authority, commission or instrumentality of the United States, which the laws of the United States exempt from federal income tax but not from state income taxes;

(3) Income taxes imposed by this state or any other taxing jurisdiction, to the extent deductible in determining federal adjusted gross income and not credited against federal income tax; and

(4) Interest on indebtedness incurred or continued to purchase or carry obligations or securities the income from which is exempt from tax under this article, to the extent deductible in determining federal adjusted gross income.

(c) Modifications reducing federal adjusted gross income. —There shall be subtracted from federal adjusted gross income:

(1) Interest income on obligations of the United States and its possessions to the extent includible in gross income for federal income tax purposes;

(2) Interest or dividend income on obligations or securities of any authority, commission or instrumentality of the United States to the extent includible in gross income for federal income tax purposes but exempt from state income taxes under the laws of the United States;

(3) Any gain from the sale or other disposition of property having a higher fair market value on the first day of
January, one thousand nine hundred sixty-one, than the
adjusted basis at said date for federal income tax purposes:
Provided, That the amount of this adjustment is limited to
that portion of any such gain which does not exceed the
difference between such fair market value and such adjusted
basis: Provided, however, That if such gain is considered a
long-term capital gain for federal income tax purposes, the
modification shall be limited to fifty per centum of such
portion of the gain; and
(4) The amount of any refund or credit for overpayment
of income taxes imposed by this state, or any other taxing
jurisdiction, to the extent properly included in gross income
for federal income tax purposes.
(5) Retirement benefits received from any source pay-
able to persons above the age of sixty-five: Provided, That such
deduction for retirement benefits received from such source
shall be limited to an amount not to exceed four thousand
dollars.
(6) Any pay or allowances received after the thirty-first
day of December, one thousand nine hundred seventy-three, by
West Virginia residents as compensation for active service in
the armed forces of the United States: Provided, That such
deduction shall be limited to an amount not to exceed four
thousand dollars.
(d) Modification for West Virginia fiduciary adjustment.
—There shall be added to or subtracted from federal ad-
justed gross income, as the case may be, the taxpayer’s share,
as beneficiary of an estate or trust, of the West Virginia
fiduciary adjustment determined under section nineteen.
(e) Partners.—The amounts of modifications required to
be made under this section by a partner, which relate to
items of income, gain, loss or deduction of a partnership,
shall be determined under section seventeen.
(f) Husband and wife.—If husband and wife determine
their federal income tax on a joint return but determine their
West Virginia income taxes separately, they shall determine
their West Virginia adjusted gross incomes separately as if
their federal adjusted gross incomes had been determined
separately.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

H. Darrel Dabbs  
Chairman Senate Committee

Chairman House Committee

Originated in the House.  
Takes effect ninety days from passage.

Hamad McIvor  
Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within _______ approved ______ this the _______.  
April, 1973.

Governor
PRESENTED TO THE GOVERNOR

Date 4/24/13

Time 2:34 p.m.