WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1978

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ENROLLED
Committee Substitute for
HOUSE BILL No. 1649

(By Mr. Bird and Mr. Farley)

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PASSED March 11, 1978

In Effect from Passage
AN ACT to amend and reenact section three, article thirteen, chapter eleven of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to exemptions from the business and occupation tax; modifying exemption for gross income of coal gasification and liquefaction projects to require prior certification of eligibility by tax commissioner; including privately-funded projects within the exemption and providing for expiration of the exemption.

Be it enacted by the Legislature of West Virginia:

That section three, article thirteen, 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 13. BUSINESS AND OCCUPATION TAX.


1 There shall be an exemption in every case of fifty dollars in amount of tax computed under the provisions of this article. A person exercising a privilege taxable hereunder for a fractional part of a tax year shall be entitled to an exemption of the sum bearing the proportion to fifty dollars that the period of time the privilege is exercised bears to a whole year.
Only one exemption shall be allowed to any one person, whether he exercises one or more privileges taxable hereunder.

The provisions of the article shall not apply to: (a) Insurance companies which pay the state of West Virginia a tax upon premiums: Provided, That said exemption shall not extend to that part of the gross income of insurance companies which is received for the use of real property, other than property in which any such company maintains its office or offices, in this state, whether such income be in the form of rentals or royalties; (b) nonprofit cemetery companies organized and operated for the exclusive benefit of their members; (c) fraternal societies, organizations and associations organized and operated for the exclusive benefit of their members and not for profit: Provided, however, That said exemption shall not extend to that part of the gross income arising from the sale of alcoholic liquor, food and related services, of such fraternal societies, organizations and associations which are licensed as private clubs under the provisions of article seven, chapter sixty of this code; (d) corporations, associations and societies organized and operated exclusively for religious or charitable purposes; (e) production credit association, organized under the provisions of the federal “Farm Credit Act of 1933”; (f) any credit union organized under the provisions of chapter thirty-one, or any other chapter of this code: Provided further, That the exemptions of this section shall not apply to corporations or cooperative associations organized under the provisions of article four, chapter nineteen of this code; (g) gross income derived from advertising service rendered in the business of radio and television broadcasting; and (h) the gross income or gross proceeds of sale of a gasification or liquefaction of coal project in the demonstration, pilot or research stages: Provided, That prior to the commencement of operation of any such project, the tax commissioner shall have first certified the project as eligible for such exemption: Provided, however, That such exemption shall expire seven years from the date the project first receives gross income or gross proceeds from sales.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

James L. Davis
Chairman Senate Committee

Clarence L. Schuster
Chairman House Committee

Originated in the House.
Takes effect from passage.

J. Wilcox, Jr.
Clerk of the Senate

C. W. Blankenship
Clerk of the House of Delegates

W. J. Battle, Jr.
President of the Senate

Donald L. Hoag
Speaker House of Delegates

The within is approved this the 24th day of March, 1978.

Governor