APPROVED AND SIGNED BY THE GOVERNOR

Date 2-19-80
Time A.m.

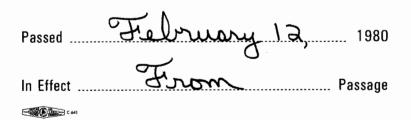
## WEST VIRGINIA LEGISLATURE

**REGULAR SESSION, 1980** 

# ENROLLED

## HOUSE BILL No. 1141

(By Mr. Speaker, Mr. See)



1411 :

## ENROLLED

## H. B. 1141

(By Mr. Speaker, Mr. See)

[Passed February 12, 1980; in effect from passage.]

AN ACT to amend and reenact section three, article twenty-four, chapter eleven of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to updating meaning of terms used in the West Virginia corporation net income tax act.

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

That section three, 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.

## §11-24-3. Meaning of terms.

1 (a) General.—Any term used in this article shall have 2 the same meaning as when used in a comparable context in 3 the laws of the United States relating to federal income taxes, 4 unless a different meaning is clearly required by the context or by definition in this article. Any reference in this 5 6 article to the laws of the United States or to the Internal 7 Revenue Code or to the federal income tax law shall mean 8 the provisions of the laws of the United States as relate to 9 the determination of income for federal income tax purposes. 10 All amendments made to the laws of the United States 11 prior to the first day of January, one thousand nine hundred 12 eighty, shall be given effect in determining the taxes imposed by this article for the tax period beginning the first day of
January, one thousand nine hundred eighty, and thereafter,
but no amendment to laws of the United States made on or
after the first day of January, one thousand nine hundred
eighty, shall be given effect.

18 (b) Certain terms defined.—For purposes of this article:

19 (1) The term "tax commissioner" means the tax com-20 missioner of the state of West Virginia or his delegate.

(2) The term "corporation" means and includes a jointstock company or any association which is taxable as a
corporation under the federal income tax law.

(3) The term "domestic corporation" means any corpora-tion organized under the laws of West Virginia.

26 (4) The term "foreign corporation" means any corporation27 other than a domestic corporation.

(5) The term "state" means any state of the United
States, the District of Columbia, the Commonwealth of Puerto
Rico, any territory or possession of the United States, and
any foreign country or political subdivision thereof.

(6) The term "taxable year" means the taxable year for
which the taxable income of the taxpayer is computed under
the federal income tax law.

35 (7) The term "taxpayer" means a corporation subject to 36 the tax imposed by this article.

(8) The term "tax" includes, within its meaning, interest
and penalties unless the intention to give it a more limited
meaning is disclosed by the context.

40 (9) The term "commercial domicile" means the principal 41 place from which the trade or business of the taxpayer is 42 directed or managed.

43 (10) The term "compensation" means wages, salaries,
44 commissions and any form of remuneration paid to employees
45 for personal services.

46 (11) The term "West Virginia taxable income" means the 47 taxable income of a corporation as defined by the laws of 48 the United States for federal income tax purposes, adjusted 49 as provided in section six: Provided, That in the case of a 50 corporation having income from business activity which is taxable without this state, its "West Virginia taxable in-51 52 come" shall be such portion of its taxable income as so 53 defined and adjusted as is allocated or apportioned to this 54 state under the provisions of section seven.

55 (12) The term "business income" means income arising 56 from transactions and activity in the regular course of the 57 taxpayer's trade or business and includes income from tangible 58 and intangible property if the acquisition and disposition 59 of the property constitute integral parts of the taxpayer's 56 regular trade or business operations.

61 (13) The term "nonbusiness income" means all income 62 other than business income.

(14) The term "public utility" means any business activity
to which the jurisdiction of the public service commission of
West Virginia extends under section one, article two, chapter
twenty-four of the code of West Virginia.

(15) The term "this code" means the code of West Vir-ginia, one thousand nine hundred thirty-one, as amended.

69 (16) The term "this state" means the state of West 70 Virginia. Enr. H. B. 1141]

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

4

Chairman Senate Committee

Je Chairman House Committee

Originated in the House.

Takes effect from passage.

add C. Willis Clerk of the Senate O A Blank Clark of the House of Delegate President of the Senate Speaker House of Delegates O ..... this the ..... The within \_\_\_\_\_ ....., 1980. day of .... \_\_\_\_\_ Governor

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