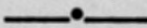


No: 622 ✓

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SECRETARY OF STATE

WEST VIRGINIA LEGISLATURE  
REGULAR SESSION, 1985



ENROLLED

SENATE BILL NO. 622  
*(Originating in the*  
*~~House~~ Committee on Finance.)*



PASSED April 1, 1985  
In Effect from Passage



# ENROLLED

## Senate Bill No. 622

(Originating in the Committee on Finance)

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[Passed April 1, 1985; in effect from passage.]

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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; and making such updating retroactive to taxable years beginning after the thirty-first day of December, one thousand nine hundred eighty-three.

*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
- 4 taxes, unless a different meaning is clearly required by the
- 5 context or by definition in this article. Any reference in this
- 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  
10 purposes. All amendments made to the laws of the United  
11 States prior to the first day of January, one thousand nine  
12 hundred eighty-five, shall be given effect in determining  
13 the taxes imposed by this article for the tax period  
14 beginning the first day of January, one thousand nine  
15 hundred eighty-four, and thereafter, but no amendment to  
16 laws of the United States made on or after the first day of  
17 January, one thousand nine hundred eighty-five shall be  
18 given effect.

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

20 (1) The term “tax commissioner” means the tax  
21 commissioner of the state of West Virginia or his delegate.

22 (2) The term “corporation” means and includes a joint-  
23 stock company or any association which is taxable as a  
24 corporation under the federal income tax law.

25 (3) The term “domestic corporation” means any  
26 corporation organized under the laws of West Virginia.

27 (4) The term “foreign corporation” means any  
28 corporation other than a domestic corporation.

29 (5) The term “state” means any state of the United  
30 States, the District of Columbia, the Commonwealth of  
31 Puerto Rico, any territory or possession of the United  
32 States, and any foreign country or political subdivision  
33 thereof.

34 (6) The term “taxable year” means the taxable year for  
35 which the taxable income of the taxpayer is computed  
36 under the federal income tax law.

37 (7) The term “taxpayer” means a corporation subject to  
38 the tax imposed by this article.

39 (8) The term “tax” includes, within its meaning, interest  
40 and additions to tax, unless the intention to give it a more  
41 limited meaning is disclosed by the context.

42 (9) The term “commercial domicile” means the  
43 principal place from which the trade or business of the  
44 taxpayer is directed or managed.

45 (10) The term “compensation” means wages, salaries,  
46 commissions and any other form of remuneration paid to  
47 employees for personal services.

48 (11) The term “West Virginia taxable income” means  
49 the taxable income of a corporation as defined by the laws

50 of the United States for federal income tax purposes,  
51 adjusted as provided in section six of this article: *Provided*,  
52 That in the case of a corporation having income from  
53 business activity which is taxable without this state, its  
54 "West Virginia taxable income" shall be such portion of its  
55 taxable income as so defined and adjusted as is allocated or  
56 apportioned to this state under the provisions of section  
57 seven of this article.

58 (12) The term "business income" means income arising  
59 from transactions and activity in the regular course of the  
60 taxpayer's trade or business and includes income from  
61 tangible and intangible property if the acquisition,  
62 management and disposition of the property constitute  
63 integral parts of the taxpayer's regular trade or business  
64 operations.

65 (13) The term "nonbusiness income" means all income  
66 other than business income.

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

72 (15) The term "this code" means the code of West  
73 Virginia.

74 (16) The term "this state" means the state of West  
75 Virginia.


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

  
.....  
Chairman Senate Committee

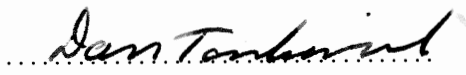
  
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Chairman House Committee

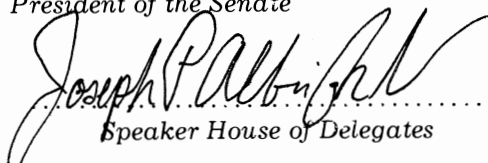
Originated in the Senate.


In effect from passage.

  
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Clerk of the Senate

  
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Clerk of the House of Delegates

  
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President of the Senate

  
.....  
Speaker House of Delegates

The within  this the 5th  
day of April, 1985.

  
.....  
Governor

PRESENTED TO THE

GOVERNOR

Date 4/3/85

Time 2:59 p.m.