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WEST VIRGINIA LEGISLATURE

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REGULAR SESSION, 1997

ENROLLED

SENATE BILL NO. 269

(By Senators TOUBLIN, MR. PRESIDENT, AND BURKALEW,
By Request of the Executive)

PASSED MARCH 25, 1997

In Effect FROY Passage

ENROLLED

Senate Bill No. 269

(BY SENATORS TOMBLIN, MR. PRESIDENT, AND BUCKALEW,
BY REQUEST OF THE EXECUTIVE)

[Passed March 25, 1997; 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 the meaning of certain terms used in the West Virginia corporation net income tax act by bringing them into conformity with their meanings for federal income tax purposes; and specifying effective dates.

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; general rule.

- 1 (a) Any term used in this article shall have the same
- 2 meaning as when used in a comparable context in the laws
- 3 of the United States relating to federal income taxes,

4 unless a different meaning is clearly required by the
5 context or by definition in this article. Any reference in
6 this article to the laws of the United States shall mean the
7 provisions of the Internal Revenue Code of 1986, as
8 amended, and such other provisions of the laws of the
9 United States as relate to the determination of income for
10 federal income tax purposes. All amendments made to the
11 laws of the United States after the thirty-first day of
12 December, one thousand nine hundred ninety-five, but
13 prior to the first day of January, one thousand nine
14 hundred ninety-seven, shall be given effect in determining
15 the taxes imposed by this article to the same extent those
16 changes are allowed for federal income tax purposes,
17 whether such changes are retroactive or prospective, but
18 no amendment to the laws of the United States made on or
19 after the first day of January, one thousand nine hundred
20 ninety-seven, shall be given any effect.

21 (b) The term "Internal Revenue Code of 1986" means the
22 Internal Revenue Code of the United States enacted by the
23 "Federal Tax Reform Act of 1986" and includes the
24 provisions of law formerly known as the Internal Revenue
25 Code of 1954, as amended, and in effect when the "Federal
26 Tax Reform Act of 1986" was enacted, that were not
27 amended or repealed by the "Federal Tax Reform Act of
28 1986". Except when inappropriate, any references in any
29 law, executive order or other document:

30 (1) To the Internal Revenue Code of 1954 shall include
31 reference to the Internal Revenue Code of 1986; and

32 (2) To the Internal Revenue Code of 1986 shall include a
33 reference to the provisions of law formerly known as the
34 Internal Revenue Code of 1954.

35 (c) *Effective date.* — The amendments to this section
36 enacted in the year one thousand nine hundred ninety-
37 seven shall be retroactive to the extent allowable under
38 federal income tax law. With respect to taxable years that
39 begin prior to the first day of January, one thousand nine
40 hundred ninety-six, the law in effect for each of those
41 years shall be fully preserved as to such year, except as
42 provided in this section.

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

Randy Schoonover
.....
Chairman Senate Committee

Nick Fontana
.....
Chairman House Committee

Originated in the Senate.

In effect from passage.

David R. Adams
.....
Clerk of the Senate

Gregory M. Burt
.....
Clerk of the House of Delegates

Earl Ray Tomblin
.....
President of the Senate

[Signature]
.....
Speaker House of Delegates

The within *is approved* this the *27th* day of *March*, 1997.

[Signature]
.....
Governor

PRESENTED TO THE

GOVERNOR

Date 3/27/97

Time 3:26 pm