

SB 143

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WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1999



ENROLLED

SENATE BILL NO. 143

(By Senator TUMBLIN, MR. PRESIDENT, AND
SPROUSE, BY REQUEST OF THE EXECUTIVE)



PASSED FEBRUARY 18, 1999

In Effect FROM Passage

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SENATE OF WEST VIRGINIA

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Senate Bill No. 143

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

[Passed February 18, 1999; in effect from passage.]

AN ACT to amend and reenact section nine, article twenty-one, 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 personal 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 nine, 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.

§11-21-9. Meaning of terms.

- 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 income taxes unless a
- 4 different meaning is clearly required. Any reference in
- 5 this article to the laws of the United States shall mean the

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

20 (b) *Medical savings accounts.* – The term “taxable trust”
21 does not include a medical savings account established
22 pursuant to section twenty, article fifteen, chapter thirty-
23 three of this code or section fifteen, article sixteen of said
24 chapter. Employer contributions to a medical savings
25 account established pursuant to said sections are not
26 “wages” for purposes of withholding under section
27 seventy-one of this article.

28 (c) *Surtax.* – The term “surtax” means the twenty
29 percent additional tax imposed on taxable withdrawals
30 from a medical savings account under section twenty,
31 article fifteen, chapter thirty-three of this code, and the
32 twenty percent additional tax imposed on taxable with-
33 drawals from a medical savings account under section
34 fifteen, article sixteen of said chapter, which are collected
35 by the tax commissioner as tax collected under this article.

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

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

W. J. Schooner
.....
Chairman Senate Committee

Joe F. Smith
.....
Chairman House Committee

Originating in the Senate.

In effect from passage.

Harrell Adams
.....
Clerk of the Senate

Bryce W. Boy
.....
Clerk of the House of Delegates

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

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

The within *approved* this the *26th*
Day of *February*, 1999

[Signature]
.....
Governor

PRESENTED TO THE

GOVERNOR

Date

2/24/99

Time

3:45pm