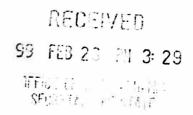
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WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1999

ENROLLED

SENATE BILL NO. 143
(By Senators KNIBLIN, ME. PRESIDENT, AND)- SPROUSE, BY REQUEST OF THE EXECUTIVE
PASSED <u>FEBRUARY 8,</u> 1999 In Effect <u>FRoy</u> Passage



ENROLLED

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

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- provisions of the Internal Revenue Code of 1986, as amended, and any other provisions of the laws of the United States as relate to the determination of income for federal income tax purposes. All amendments made to the laws of the United States after the thirty-first day of 10 11 December, one thousand nine hundred ninety-seven, but prior to the first day of January, one thousand nine 12 13 hundred ninety-nine, shall be given effect in determining 14 the taxes imposed by this article to the same extent those changes are allowed for federal income tax purposes, 15 16 whether such changes are retroactive or prospective, but no amendment to the laws of the United States made on or 17 18 after the first day of January, one thousand nine hundred ninety-nine, shall be given any effect. 19
- 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 "wages" for purposes of withholding under section 26 27 seventy-one of this article.
- (c) Surtax. The term "surtax" means the twenty percent additional tax imposed on taxable withdrawals 30 from a medical savings account under section twenty, article fifteen, chapter thirty-three of this code, and the twenty percent additional tax imposed on taxable withdrawals from a medical savings account under section fifteen, article sixteen of said chapter, which are collected by the tax commissioner as tax collected under this article.
 - (d) Effective date. The amendments to this section enacted in the year one thousand nine hundred ninety-nine shall be retroactive to the extent allowable under federal income tax law. With respect to taxable years that begin prior to the first day of January, one thousand nine hundred ninety-eight, the law in effect for each of those years shall be fully preserved as to such year, except as provided in this section.

Governor

That Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled. Chairmax Senate Committee Chairmon House Committee Originating in the Senate. In effect from passage. Clerk of the Senate Clerk of the House of Delegates President of the Senate Speaker House of Delegates The within.... this the Day of, 1999

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PRESENTED TO THE

GOVERNOR

_Date__

Time