

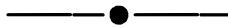
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LEGISLATIVE

WEST VIRGINIA LEGISLATURE

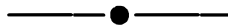
SECOND REGULAR SESSION, 2000



ENROLLED

COMMITTEE SUBSTITUTE
FOR
House Bill No. 4526

(By Delegates Cann, Martin, Michael,
Kominar, Beane, Campbell and Leach)



Passed March 11, 2000

In Effect Ninety Days from Passage

ENROLLED

COMMITTEE SUBSTITUTE

FOR

H. B. 4526

(BY DELEGATES CANN, MARTIN, MICHAEL,
KOMINAR, BEANE, CAMPBELL AND LEACH)

[Passed March 11, 2000; in effect ninety days from passage.]

AN ACT to amend and reenact section one-a, article one-c, chapter eleven of the code of West Virginia, one thousand nine hundred thirty-one, as amended; to amend and reenact section seven-a, article three of said chapter; and to amend and reenact section three, article five of said chapter, all relating to the ad valorem property taxation of chattel interests; and providing for the assessment and taxing of chattel interests in both real and personal property as tangible personal property.

Be it enacted by the Legislature of West Virginia:

That section one-a, article one-c, chapter eleven of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted; that section seven-a, article three of said chapter be amended and reenacted; and that section three, article five of said chapter be amended and reenacted, all to read as follows:

ARTICLE 1C. FAIR AND EQUITABLE PROPERTY VALUATION.

§11-1C-1a. Further legislative findings and declarations; effect of declarations and clarification of chattel interests in real or tangible personal property.

1 (a) The Legislature hereby finds that:

2 (1) The voters of this state, in the general election held in
3 the year one thousand nine hundred eighty-four, ratified
4 amendment five to the constitution of West Virginia which
5 essentially provides that once the first statewide reappraisal of
6 property pursuant to section one-b, article ten of the constitu-
7 tion is implemented and first employed to fix values for ad
8 valorem property tax purposes, no intangible personal property
9 shall be subject to ad valorem property taxation except as
10 provided by general law enacted after ratification of amendment
11 five;

12 (2) In ratifying amendment five, the voters intended for
13 intangible personal property to become exempt from ad
14 valorem property tax at some point after ratification, except as
15 provided in general legislation enacted subsequent to ratifica-
16 tion of amendment five;

17 (3) Due to numerous problems, actual or perceived, with
18 the results of the first statewide reappraisal under section one-b,
19 article ten of the constitution, and the public's lack of confi-
20 dence in those results, the first statewide reappraisal was never
21 implemented and results were never employed to fix values for
22 ad valorem property tax purposes;

23 (4) The Legislature responded to these problems, actual or
24 perceived, by enacting this article which, as its primary
25 purpose, resulted in the making of the second statewide
26 reappraisal of property for ad valorem property tax purposes,
27 which now results in all property being assessed and taxed at

28 sixty percent of its market value, except as otherwise provided
29 by general law; and

30 (5) The intent and objective of the voters in causing the first
31 statewide reappraisal to be made under section one-b, article ten
32 of the constitution, has now been achieved, although not in the
33 manner originally intended by the voters when they ratified
34 amendment five, and that the will and objective of the people
35 in ratifying amendment five will unintentionally be circum-
36 vented unless the Legislature acts to prevent such a result.

37 (b) The Legislature, therefore, does hereby declare that:

38 (1) It has the power and authority under the constitution and
39 these circumstances to implement amendment five;

40 (2) The provisions of amendment five shall be implemented
41 beginning tax year one thousand nine hundred ninety-eight and
42 thereafter, notwithstanding any other provision in this article
43 other than section one-b;

44 (3) Chattel interests in real or tangible personal property are
45 tangible property for ad valorem property tax purposes, which
46 shall be assessed and taxed in the levy classification in which
47 tangible personal property is taxed for ad valorem property tax
48 purposes, notwithstanding any other provision in this chapter;
49 and

50 (4) The property of banks and savings and loans shall be
51 assessed and taxed like that of other corporations beginning tax
52 year one thousand nine hundred ninety-eight.

ARTICLE 3. ASSESSMENTS GENERALLY.

§11-3-7a. Chattel interests in real and tangible personal property.

1 For ad valorem property tax purposes, chattel interests in
2 real property and chattel interest in tangible personal property

3 are hereby defined to be interests in tangible personal property
4 and are to be assessed and taxed as such. As so defined, chattel
5 interest in real property and chattel interests in tangible personal
6 property are not intangible personal property for ad valorem
7 property tax purposes.

ARTICLE 5. ASSESSMENT OF PERSONAL PROPERTY.

§11-5-3. Definitions.

1 The words "personal property," as used in this chapter
2 includes all fixtures attached to land, if not included in the
3 valuation of such land entered in the proper landbook; all things
4 of value, moveable and tangible, which are the subjects of
5 ownership; all chattels real and personal; all notes, bonds, and
6 accounts receivable, stocks and all other intangible property.

7 "Agriculture" means the cultivation of the soil, including
8 the planting and harvesting of crops and the breeding and
9 management of livestock.

10 "Horticulture" means plant production of every character
11 except forestry.

12 "Grazing" means the use of land for pasturage.

13 "Products of agriculture" means those things the existence
14 of which follows directly from the activity of agriculture,
15 horticulture or grazing, including dairy, poultry, bee and any
16 other similar products, whether in the natural form or processed
17 as an incident to the marketing of the raw material.

18 "Producer" means the person who is actually engaged in the
19 agriculture, horticulture and grazing which gives existence and
20 fruition to products of agriculture as distinguished from the
21 broker or middleman.

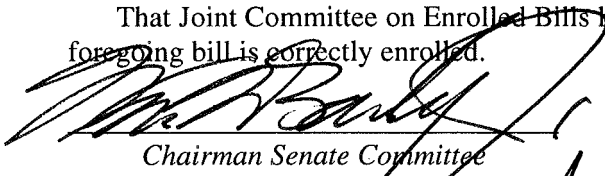
22 "Tax year" means the calendar year following the July first
23 assessment day or, in the case of a public service business

24 assessed pursuant to article six of this chapter, the calendar year
25 beginning on the January first assessment day.

26 “While owned by the producer” means while title is in the
27 producer as above defined.

28 “Employed exclusively” means that the preponderant and
29 the sole gainful use is for the designated purpose.

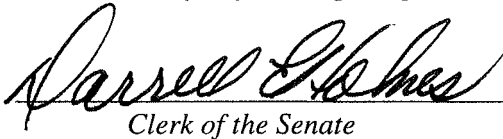
That Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

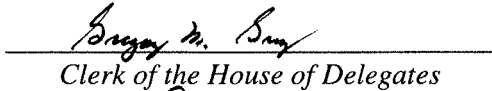

Chairman Senate Committee

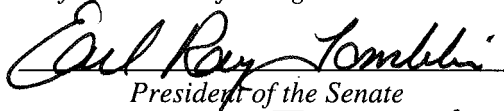

Chairman House Committee

Originating in the House.

In effect ninety days from passage.

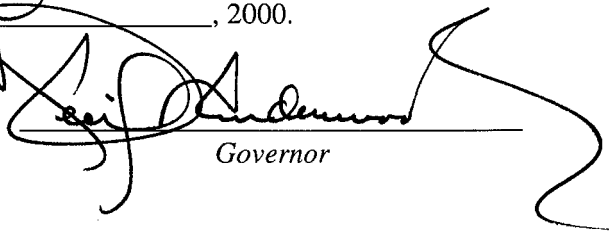

Clerk of the Senate


Clerk of the House of Delegates


President of the Senate


Speaker of the House of Delegates

The within approved this the 5th
day of April, 2000.


Governor

PRESENTED TO THE

GOVERNOR

Date 3/29/00

Time 3:15 pm