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WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 2000

ENROLLED

SENATE BILL NO. 143

(By Senators Tamblin, Mr. President, and
Sprouse, By Request of the Executive)

PASSED FEBRUARY 7, 2000
In Effect from Passage

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Senate Bill No. 143

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

[Passed February 7, 2000; 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 has the same meaning as
- 2 when used in a comparable context in the laws of the

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

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

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

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

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

[Handwritten signature]

Chairman Senate Committee

[Handwritten signature]

Chairman House Committee

Originating in the Senate.

In effect from passage.

[Handwritten signature]

Clerk of the Senate

[Handwritten signature]

Clerk of the House of Delegates

[Handwritten signature]

President of the Senate

[Handwritten signature]

Speaker House of Delegates

The within *approved* this the *14th*

Day of *February*, 2000

[Handwritten signature]

Governor

PRESENTED TO THE

GOVERNOR

Date 2/11/00

Time 9:35 am