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OFFICE WEST VIRGINIA
SECRETARY OF STATE

WEST VIRGINIA LEGISLATURE

Regular Session, 2001

ENROLLED

SENATE BILL NO. 440

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

PASSED March 28, 2001

In Effect from Passage

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Senate Bill No. 440

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

[Passed March 28, 2001; 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 has the same meaning
- 2 as when used in a comparable context in the laws of the

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

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26 amended or repealed by the "Federal Tax Reform Act of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

29 (1) To the Internal Revenue Code of 1954 includes
30 reference to the Internal Revenue Code of 1986; and

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

34 (c) *Effective date.* — The amendments to this section
35 enacted in the year two thousand one are retroactive to the
36 extent allowable under federal income tax law. With
37 respect to taxable years that began prior to the first day of
38 January, two thousand, the law in effect for each of those

39 years shall be fully preserved as to that year, except as
40 provided in this section.

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

Erny I. Pura

.....
Chairman Senate Committee

John J. ...

.....
Chairman House Committee

Originated in the Senate.

In effect from passage.

Harrell E. ...

.....
Clerk of the Senate

Ernest M. ...

.....
Clerk of the House of Delegates

Earl Ray Tomblin

.....
President of the Senate

...

.....
Speaker House of Delegates

The within *is approved* this the *9th*

Day of *April*, 2001.

Bob Wise

.....
Governor

PRESENTED TO THE

GOVERNOR

Date

4/4/01

Time

3:02 pm