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2003 MAR 10 P 5:01

OFFICE WEST VIRGINIA
SECRETARY OF STATE

WEST VIRGINIA LEGISLATURE
Regular Session, 2003

ENROLLED

SENATE BILL NO. 461

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

PASSED February 26, 2003

In Effect from **Passage**

ENROLLED

Senate Bill No. 461

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

[Passed February 26, 2003; 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 West Virginia corporation net income tax act by bringing them into conformity with their meanings for federal income tax purposes; and specifying effective date.

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 as
2 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 on or after the fifteenth day of March, two thousand
12 two, but prior to the first day of January, two thousand
13 three, shall be given effect in determining the taxes
14 imposed by this article to the same extent those changes
15 are allowed for federal income tax purposes, whether the
16 changes are retroactive or prospective, but no amendment
17 to the laws of the United States made on or after the first
18 day of January, two thousand three, shall be given any
19 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 provisions
23 of law formerly known as the Internal Revenue Code of
24 1954, as amended, and in effect when the federal Tax
25 Reform Act of 1986 was enacted that were not amended or
26 repealed by the federal Tax Reform Act of 1986. Except
27 when inappropriate, any reference in any law, executive
28 order or other document:

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

31 (2) To the Internal Revenue Code of 1986 includes 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 three are retroactive to
36 the extent allowable under federal income tax law. With

37 respect to taxable years that began prior to the fifteenth
38 day of March, two thousand two, the law in effect for each
39 of those years shall be fully preserved as to that year
40 except as provided in this section.

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

[Signature]
.....
Chairman Senate Committee

[Signature]
.....
Chairman House Committee

Originated in the Senate.

In effect from passage.

[Signature]
.....
Clerk of the Senate

[Signature]
.....
Clerk of the House of Delegates

[Signature]
.....
President of the Senate

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

The within *is* approved this the *10th*
Day of *March* 2003.

[Signature]
.....
Governor

PRESENTED TO THE
GOVERNOR

Date 3/5/03

Time 10:20 AM