WEST VIRGINIA LEGISLATURE
SEVENTY-EIGHTH LEGISLATURE
REGULAR SESSION, 2007

ENROLLED
Senate Bill No. 540

(By Senators Helmick, Minard and Guills)

[Passed March 6, 2007; in effect ninety days from passage.]
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Senate Bill No. 540

(BY SENATORS HELMICK, MINARD AND GUILLS)

[Passed March 6, 2007; in effect ninety days from passage.]

AN ACT to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section, designated §11-24-11b, relating to providing tax credits for utility taxpayers with a net operating loss prior to the thirty-first day of December, two thousand six.

Be it enacted by the Legislature of West Virginia:

That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new section, designated §11-24-11b, to read as follows:

ARTICLE 24. CORPORATION NET INCOME Tax.
§11-24-11b. Credit for utility taxpayers with net operating loss carryovers.

(a) General. — There shall be allowed to every eligible taxpayer a nonrefundable credit against its primary tax liability imposed under this article for any net operating loss carryovers that exist as of the thirty-first day of December, two thousand six.

(b) (1) "Eligible taxpayer" means any person subject to the business and occupation taxes prescribed by article thirteen of this chapter and exercising any privilege taxable under section two-o of this article.

(2) "Eligible taxpayer" also includes an affiliated group of taxpayers if the group elects to file a consolidated corporation net income tax return under this article if one or more affiliates included in the affiliated group would qualify as an eligible taxpayer under subdivision (1) of this subsection.

(c) Amount of credit. — The amount of credit allowed shall be equal to one-quarter percent of the eligible taxpayer's West Virginia net operating loss carryovers allowed by subsection (d), section six of this article that exist as of the thirty-first day of December, two thousand six.

(d) Application of credit. — The amount of credit allowed shall be taken against the tax liabilities of the eligible taxpayer under this article as shown on its annual return for the taxable year in which its net operating loss carryovers are utilized, as provided in subsection (d), section six of this article. Any credit remaining after application against the eligible
taxpayer's tax liabilities for the current year may be carried forward to subsequent tax years until used.
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The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within .......................... approved this
the 21st Day of March 2007.

Governor