WEST VIRGINIA LEGISLATURE
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REGULAR SESSION, 2012

ENROLLED
COMMITTEE SUBSTITUTE
FOR

Senate Bill No. 153

(Senators Klempa, Beach and Kessler (Mr. President), original sponsors)

[PASSED MARCH 10, 2012; IN EFFECT NINETY DAYS FROM PASSAGE.]
AN ACT to amend and reenact §11-13W-1 of the Code of West Virginia, 1931, as amended, relating to increasing the tax credits for apprenticeship training in construction trades.

Be it enacted by the Legislature of West Virginia:

That §11-13W-1 of the Code of West Virginia, 1931, as amended, be amended and reenacted to read as follows:

ARTICLE 13W. APPRENTICESHIP TRAINING TAX CREDITS.

§11-13W-1. Tax credits for apprenticeship training in construction trades.

1 (a) Credit allowed. - For those tax years beginning on or after January 1, 2008, there shall be allowed a credit for any taxpayer against certain taxes imposed by this state as described in subsection (d) of this section for wages paid to apprentices in the construction trades who are registered with the United States Department of Labor, Office of Apprenticeship, West Virginia State Office, by the taxpayer in the tax year that an apprentice and taxpayer participate.
in a qualified apprenticeship training program, as described in this section, which is: (1) Jointly administered by labor and management trustees; (2) administered pursuant to 29 U. S. C. Section 50; and (3) certified in accordance with regulations adopted by the United States Bureau of Apprenticeship and Training or the successor agency of that bureau.

(b) Amount of credit. - The tax credit shall be in an amount equal to $1 per hour multiplied by the total number of hours worked during the tax year by an apprentice working for the taxpayer participating in the qualified apprenticeship training program, provided the amount of credit allowed for any tax year with respect to each such apprentice may not exceed $1,000 or fifty percent of the actual wages paid in the tax year for the apprenticeship, whichever is less: Provided, That for tax years beginning on and after January 1, 2012, the tax credit shall be in an amount equal to $2 per hour multiplied by the total number of hours worked during the tax year by an apprentice working for the participating taxpayer, and the amount of credit allowed for any tax year with respect to each apprentice may not exceed $2,000, or fifty percent of actual wages paid in that tax year for the apprenticeship, whichever is less.

(c) Qualified apprenticeship training program requirements. — In addition to the qualifications specified in subsection (a) of this section, a qualified apprenticeship training program shall consist of at least two thousand but not more than ten thousand hours of on the job apprenticeship training for certification of the apprenticeship by the United States Bureau of Apprenticeship and Training or the successor agency of the bureau.

(d) Application of annual credit allowance. — The amount of credit as determined under subsection (b) of this section is allowed as a credit against the taxpayer's state tax liability applied as provided in subdivisions (1) through (3), inclusive, of this subsection, and in that order.
(1) Business franchise tax. — The credit must first be applied to reduce the taxes imposed by article twenty-three of this chapter for the taxable year.

(2) Corporation net income taxes. - After application of subdivision (1) of this subsection, any unused credit is next applied to reduce the taxes imposed by article twenty-four of this chapter for the taxable year.

(3) Personal income taxes. —

(A) If the person making the qualified investment is an electing small business corporation (as defined in Section 1361 of the United States Internal Revenue Code of 1986, as amended), a partnership, a limited liability company that is treated as a partnership for federal income tax purposes, or a sole proprietorship, then any unused credit (after application of subdivisions (1) and (2) of this subsection) is allowed as a credit against the taxes imposed by article twenty-one of this chapter on the income from business or other activity subject to tax under article twenty-three of this chapter or on income of a sole proprietor attributable to the business.

(B) Electing small business corporations, limited liability companies, partnerships and other unincorporated organizations shall allocate the credit allowed by this article among its members in the same manner as profits and losses are allocated for the taxable year.

(4) A credit is not allowed under this section against any employer withholding taxes imposed by article twenty-one of this chapter.

(e) Unused credit. — If any credit remains after application of subsection (d) of this section, that amount is forfeited. A carryback to a prior taxable year is not allowed for the amount of any unused portion of any annual credit allowance.
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 of the House of Delegates

The within is approved this the 2nd Day of April, 2012.

Governor