

WEST VIRGINIA LEGISLATURE

2016 REGULAR SESSION

Enrolled

Committee Substitute

for

Senate Bill 400

BY SENATORS COLE (MR. PRESIDENT) AND KESSLER

(BY REQUEST OF THE EXECUTIVE)

[Passed March 8, 2016; in effect 90 days from passage]

1 AN ACT to amend and reenact §11-15-30 of the Code of West Virginia, 1931, as amended,
2 relating to dedication and deposit of certain tax proceeds; reducing amount of sales tax
3 proceeds annually dedicated to School Major Improvement Fund by \$999,996 for fiscal
4 year 2017; amending monthly deposit requirements; specifying retroactive effect; and
5 reducing amount of sales tax proceeds annually dedicated to School Construction Fund
6 by \$3 million for fiscal year 2017.

Be it enacted by the Legislature of West Virginia:

1 That §11-15-30 of the Code of West Virginia, 1931, as amended, be amended and
2 reenacted to read as follows:

ARTICLE 15. CONSUMERS SALES AND SERVICE TAX.

§11-15-30. Proceeds of tax; appropriation of certain revenues.

1 (a) The proceeds of the tax imposed by this article shall be deposited in the General
2 Revenue Fund of the state except as otherwise expressly provided in this article.

3 (b) *School Major Improvement Fund.* – After the payment or commitment of the proceeds
4 or collections of this tax for the purposes set forth in section sixteen of this article, on the first day
5 of each month, there shall be dedicated monthly from the collections of this tax, the amount of
6 \$416,667 and the amount dedicated shall be deposited on a monthly basis into the School Major
7 Improvement Fund created pursuant to section six, article nine-d, chapter eighteen of this code:
8 *Provided*, That for fiscal year 2016, the amount so dedicated and deposited annually under this
9 subdivision is reduced by \$2,000,004, and the amount so dedicated and deposited monthly is
10 reduced to \$250,000 for fiscal year 2016. This reduction shall cease for fiscal years beginning
11 after June 30, 2016: *Provided, however*, That for fiscal year 2017, the amount so dedicated and
12 deposited annually under this subdivision is reduced by \$999,996 and the amount so dedicated
13 and deposited monthly is reduced to \$333,334 for fiscal year 2017. This reduction shall cease
14 for fiscal years beginning after June 30, 2017.

15 (c) *School Construction Fund.* – After the payment or commitment of the proceeds or
16 collections of this tax for the purposes set forth in section sixteen of this article:

17 (1) On the first day of each month, there shall be dedicated monthly from the collections
18 of this tax the amount of \$1,416,667 and the amount dedicated shall be deposited into the School
19 Construction Fund created pursuant to section six, article nine-d, chapter eighteen of this code.

20 (2) Except as provided in subdivision (3) of this subsection, effective July 1, 1998, there
21 shall be dedicated from the collections of this tax an amount equal to any annual difference that
22 may occur between the debt service payment for the 1997 fiscal year for school improvement
23 bonds issued under the Better School Building Amendment under the provisions of article nine-c,
24 chapter eighteen of this code and the amount of funds required for debt service on these school
25 improvement bonds in any current fiscal year thereafter. This annual difference shall be prorated
26 monthly, added to the monthly deposit in subdivision (1) of this subsection and deposited into the
27 School Construction Fund created pursuant to section six, article nine-d, chapter eighteen of this
28 code.

29 (3) After June 30, 2015, the provisions of subdivisions (1) and (2) of this subsection shall
30 have no force or effect. After June 30, 2015, there shall be dedicated from the collections of this
31 tax the amount of \$27,216,996 annually. This amount shall be prorated monthly and deposited
32 into the School Construction Fund created pursuant to section six, article nine-d, chapter eighteen
33 of this code: *Provided*, That for fiscal year 2016, the amount so dedicated annually under this
34 subdivision is reduced by \$6 million. This reduction shall cease for fiscal years beginning after
35 June 30, 2016: *Provided, however*, That for fiscal year 2017, the amount so dedicated and
36 deposited annually under this subdivision is reduced by \$3 million. This reduction shall cease for
37 fiscal years beginning after June 30, 2017. Amendments to this subdivision enacted in the 2016
38 regular legislative session are retroactive, in accordance with dates and fiscal years specified
39 herein.

40 (d) *Prepaid wireless calling service.* – The proceeds or collections of this tax from the sale
41 of prepaid wireless service are dedicated as follows:

42 (1) The tax imposed by this article upon the sale of prepaid wireless calling service is in
43 lieu of the wireless enhanced 911 fee imposed by section six-b, article six, chapter twenty-four of
44 this code.

45 (2) Within thirty days following the end of each calendar month, the Tax Commissioner
46 shall remit to the Public Service Commission the proceeds of the tax imposed by this article upon
47 the sale of prepaid wireless calling service in the preceding month, determined as follows: For
48 purposes of determining the amount of those monthly proceeds, the Tax Commissioner shall use
49 an amount equal to one twelfth of the wireless enhanced 911 fees collected from prepaid wireless
50 calling service under section six-b, article six, chapter twenty-four of this code during the period
51 beginning on July 1, 2007, and ending on June 30, 2008. Beginning on July 1, 2009, the Tax
52 Commissioner shall adjust this amount annually by an amount proportionate to the increase or
53 decrease in the enhanced wireless 911 fees paid to the Public Service Commission under said
54 section during the previous twelve months. The Public Service Commission shall receive, deposit
55 and disburse the proceeds in the manner prescribed in said section.

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

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Chairman, Senate Committee

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Chairman, House Committee

Originated in the Senate.

In effect 90 days from passage.

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Clerk of the Senate

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Clerk of the House of Delegates

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President of the Senate

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Speaker of the House of Delegates

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Day of, 2016.

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Governor