



STATE TAX DEPARTMENT

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OFFICE OF WEST VIRGINIA  
SECRETARY OF STATE

MEMORANDUM

*Modification*

*Proposed  
amendment*

To: Senator Ralph Williams, Cochairman Date  
Legislative Rule-Making Review Committee  
March 12, 1985

From: Michael E. Caryl  
State Tax Commissioner

Re: W. Va. Leg. Reg. 11-1A, Series I-A §§ 9 and 14  
Alterations in Property Subsequent to Base Year  
of Statewide Reappraisal

Enclosed are proposed substitute pages for the above-referenced regulations. These substitute pages reflect the following changes.

1. Footnote numbers 1 and 2 have been added to numbered pages 5 and 10 with the footnotes being located on numbered pages 21 and 22. The footnotes are being added to assure the proper valuation of farm property.
2. As a result of Constitutional Amendment No. 5, the information on pages 8 and 18 relative to intangible personal property has been deleted and an explanatory statement inserted.
3. On page 12, section 14.05(a)(2), the phrase "second reappraisal masterfile" has been changed to "adjusted reappraisal masterfile." This subsection now is in conformity with the rest of this Rule.

  
Michael E. Caryl

MEC/jms  
Enclosures

(3) Adjusted reappraisal masterfile. -- The term "adjusted reappraisal masterfile" shall mean the reappraisal master file of the results of the first statewide reappraisal entered into the statewide electronic data processing system network as it is periodically adjusted by the Tax Commissioner to reflect alterations in property subsequent to July 1, 1983.

(4) Alteration. -- The term "alteration" shall mean and include any substitution, accretion, improvement, addition, replacement, destruction, removal, casualty, Act of God, waste, or any like occurrence, in or to the real or personal property that affects the market value of that property.

(5) Assessed value. -- The term "assessed value" shall mean the assessed value of any item of property after implementation of the first statewide reappraisal and shall be sixty percent (60%) of the market value of such item of property regardless of its class or species, except as otherwise provided in W. Va. Code art. 11-1A. See W. Va. Code § 11-1A-3(a).

(A) The assessed value of farm property shall be sixty percent (60%) of its fair and reasonable value for farming purposes. See W. Va. Code § 11-1A-10.1

Section 14.04

deterioration, which enhances the value, beauty or utility of the property or adapts it to a new or further purpose.

(15) Intangible personal property. -- [This subsection is removed because the "Equitable Taxation of Property and Exemption of Intangible Property Amendment of 1984" prohibits taxation of intangible personal property until the legislature imposes such a tax.]

(16) Natural resources. -- The words "natural resources" shall mean, and include coal, oil, gas, ore, limestone, fireclay or other minerals or mineral substances in or under the surface of the land, and the timber standing thereon. See W. Va. Code § 11-4-9.

(17) Personal Property. -- The words "personal property" as used in this rule, shall include all fixtures attached to land (if not included in the valuation of such land entered in the proper land book); all things of value, moveable and tangible, which are the subjects of ownership; all chattels (real and personal); and all notes, bonds, and accounts receivable, stocks and other similar intangible property that are subject to ad valorem property taxes. See W. Va. Code § 11-5-3.

Section 14.04

(23) Statewide reappraisal. -- The term "statewide reappraisal" shall mean the periodic reappraisal of all property in this State required by W. Va. Const. art. X, § 1b and W. Va. Code §§ 11-1A-1 and 11-1A-19.

(24) Substitution. -- The term "substitution" shall mean the putting of one item of property in place of another item of property.

(25) Value, market value and true and actual value. -- The terms "value," "market value" and "true and actual value" shall mean the price at or for which a particular parcel or specie of property would sell if it were sold to a willing buyer by a willing seller in an arms-length transaction without either the buyer or seller being under any compulsion to buy or sell, except as otherwise provided in W. Va. Code art. 11-1A. See W. Va. Code § 11-1A-3(i).

(A) The market value of farm property shall be its fair and reasonable value for farming purposes. See W. Va. Code § 11-1A-10.2

(B) The market value of all property except residential and farm surface real property, shall be determined during the first statewide reappraisal

Section 14.05

(2) All alterations of or to property which occur or are completed after July 1, 1983 shall be entered by the Tax Commissioner into the adjusted reappraisal master file to assure that the results of the statewide reappraisal are maintained and that the property data contained therein is annually updated as of the most recent assessment day.

(b) Cost Adjustment Information.

(1) Reappraisal master file. -- The Tax Commissioner shall maintain either within the statewide electronic data processing system network, or at some other appropriate site, acceptable information for use in calculating the appraised value and the previously assessed value of all altered property and all new property, as of July 1, 1983, as if such altered or new property had been in existence on that day.

(2) Adjusted reappraisal master file. -- Additionally, the Tax Commissioner shall annually gather and maintain either within the statewide electronic data processing system network or at some other appropriate site, current data relating to costs of similar property, expenses including depreciation, income capitalization rates, royalty rates and such other data

Section 14.06

(2) The appraised value of motor vehicles, aircraft and watercraft manufactured and acquired subsequent to July 1, 1983, shall be determined as if such properties were in existence on July 1, 1983. The value of such property shall be obtained from generally recognized and accepted guides and listings as aforesaid, that provide sufficient information about similar property so as to determine a comparable appraised value.

(f) Intangible personal property. -- [This subsection is removed because the "Equitable taxation of Property and Exemption of Intangible Property Amendment of 1984" prohibits taxation of intangible personal property until the legislature imposes such a tax.]

(g) Livestock and agricultural products. -- The appraised value of livestock and products of agriculture, regardless of whether it was acquired on or before July 1, 1983 or subsequent to July 1, 1983, shall be its market value as of July 1, 1983. The market value of such property

Section 14.

Footnotes

1     § 11-1A-10.     Valuation of farm property.

(a) With respect to farm property, the tax commissioner shall appraise such property so as to ascertain its fair and reasonable value for farming purposes regardless of what the value of the property would be if used for some other purpose, and the value shall be arrived at by giving consideration to the fair and reasonable income which the property might be expected to earn in the locality wherein situated, if rented. The fair and reasonable value for farming purposes shall be deemed to be the market value of such property for appraisement purposes.

2     § 11-1A-10.     Valuation of farm property.

(a) With respect to farm property, the tax commissioner shall appraise such property so as to ascertain its fair and reasonable value for farming purposes regardless of what the value of the property would be if used for some other purpose, and the value shall be arrived at by giving consideration to the fair and reasonable income which the property might be expected

Section 14.

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WEST VIRGINIA LEGISLATURE  
*Legislative Rule-Making Review Committee*



FILED

1985 MAR 13 AM 10:26

OFFICE OF THE SECRETARY OF STATE  
SECRET

NOTICE OF ACTIONS TAKEN BY LEGISLATIVE RULE-MAKING REVIEW COMMITTEE

March 12, 1985

TO: Ken Hechler, Secretary of State; State Register  
And

TO: State Tax Department

FROM: Legislative Rule-Making Review Committee

PROPOSED RULE:

Alterations to Property Subsequent to Base Year  
of Statewide Reappraisal, Chapter 11-1A, Series 1A

The Legislative Rule-Making Review Committee recommends that the West Virginia Legislature:

1. Authorize the agency to promulgate the Legislative Rule
2. Authorize the agency to promulgate part of the Legislative rule; a statement of reasons for such recommendation is attached.
3. Authorize the agency to promulgate the Legislative rule with certain amendments; amendments and a statement of reasons for such recommendation is attached.
4. Recommends that the rule be withdrawn; a statement of reasons for such recommendation is attached.

XXX

Pursuant to Code 29A-3-11(c), this notice has been filed in the state register and with the agency proposing the rule.