

**WEST VIRGINIA
SECRETARY OF STATE
NATALIE TENNANT
ADMINISTRATIVE LAW DIVISION**

Form #2

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2011 JUN 17 AM 11:29

OFFICE OF WEST VIRGINIA
SECRETARY OF STATE

NOTICE OF A COMMENT PERIOD ON A PROPOSED RULE

AGENCY: State Tax Department TITLE NUMBER: 110

RULE TYPE: Legislative CITE AUTHORITY W. Va. Code §§11-10-5 and 11-10-5s

AMENDMENT TO AN EXISTING RULE: YES _____ NO X

IF YES, SERIES NUMBER OF RULE BEING AMENDED: _____

TITLE OF RULE BEING AMENDED: _____

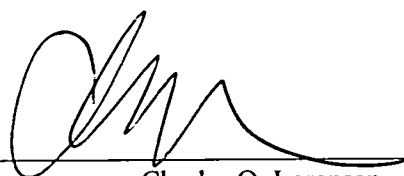
IF NO, SERIES NUMBER OF RULE BEING PROPOSED: 50G

TITLE OF RULE BEING PROPOSED: Exchange of Information Agreement Between the State Tax Department and the Department of Commerce, the Department of Transportation and the Department of Environmental Protection

IN LIEU OF A PUBLIC HEARING, A COMMENT PERIOD HAS BEEN ESTABLISHED DURING WHICH ANY INTERESTED PERSON MAY SEND COMMENTS CONCERNING THESE PROPOSED RULES. THIS COMMENT PERIOD WILL END ON July 18, 2011 AT 5:00 pm. ONLY WRITTEN COMMENTS WILL BE ACCEPTED AND ARE TO BE MAILED TO THE FOLLOWING ADDRESS:

Legal Division
State Tax Department
P.O. Box 1005
Charleston, WV 25324-1005

THE ISSUES TO BE HEARD SHALL BE LIMITED TO THIS PROPOSED RULE.


Charles O. Lorensen
Cabinet Secretary of the Department of Revenue

ATTACH A **BRIEF** SUMMARY OF YOUR PROPOSAL

**STATE TAX DEPARTMENT
110 C.S.R. 50G
EXCHANGE OF INFORMATION AGREEMENT BETWEEN THE
STATE TAX DEPARTMENT AND THE DEPARTMENT OF COMMERCE, THE
DEPARTMENT OF TRANSPORTATION AND THE DEPARTMENT OF
ENVIRONMENTAL PROTECTION
SUMMARY OF RULE**

Senate Bill 465, enacted March 12, 2011, amended West Virginia Code § 11-13Q-20 to require that on or before February 1, 2013, the Department of Commerce, in consultation with the Tax Commissioner, the Department of Transportation and the Department of Environmental Protection submit to the Governor, the President of the Senate and the Speaker of the House of Delegates a report on the impact of all the tax credits and other economic incentives provided in S.B. 465. The report is to include the impact on economic development in this State, including but not limited to the creation of jobs in this State, upon the State's infrastructure, including but not limited to the need for construction or maintenance of the roads and highways of this State, upon the natural resources of this State, and upon public and private property interests in this State. This rule will facilitate the consultation process and the provision of any necessary information to the agencies involved.

**STATE TAX DEPARTMENT
110 C.S.R. 50G
EXCHANGE OF INFORMATION AGREEMENT BETWEEN THE
STATE TAX DEPARTMENT AND THE DEPARTMENT OF COMMERCE, THE
DEPARTMENT OF TRANSPORTATION AND THE DEPARTMENT OF
ENVIRONMENTAL PROTECTION
STATEMENT OF CIRCUMSTANCES**

Senate Bill 465, enacted March 12, 2011, amended West Virginia Code § 11-13Q-20 to require that on or before February 1, 2013, the Department of Commerce, in consultation with the Tax Commissioner, the Department of Transportation and the Department of Environmental Protection submit to the Governor, the President of the Senate and the Speaker of the House of Delegates a report on the impact of all the tax credits and other economic incentives provided in S.B. 465. The report is to include the impact on economic development in this State, including but not limited to the creation of jobs in this State, upon the State's infrastructure, including but not limited to the need for construction or maintenance of the roads and highways of the State, upon the natural resources of the State, and upon public and private property interests in the State.

This rule will facilitate the consultation process and the provision of any necessary information to the agencies involved. It is possible that without this rule and the resulting agreements, some information may not be exchanged because it may involve confidential tax payer information.

APPENDIX B

FISCAL NOTE FOR PROPOSED RULES

Rule Title: Exchange of Information Agreement Between the State Tax Department and the Department of Commerce, the Department of Transportation and the Department of Environmental Protection

Type of Rule: X Legislative Interpretive Procedural

Agency: State Tax Department

Address: 1001 Lee Street

Charleston, WV 25301

Phone Number: (304) 558-5330

Email:

Fiscal Note Summary

Summarize in a clear and concise manner what impact this measure will have on costs and revenues of state government.

This rule is in response to the requirement in S.B. 465 that requires the Department of Commerce, in consultation with the State Tax Department, the Department of Transportation and the Department of Environmental Protection provide a report on the impact of all tax credits and other economic incentives provided in S.B. 465. This rule will allow the participating agencies to enter into an agreement and share Tax Department information. This rule by itself will not have any fiscal impact on the costs and revenues of State government.

Fiscal Note Detail

Show over-all effect in Item 1 and 2 and, in Item 3, give an explanation of Breakdown by fiscal year, including long-range effect.

| FISCAL YEAR | | | |
|-----------------------------|-------------------------------------|----------------------------------|--|
| Effect of Proposal | Current Increase/Decrease (use "-") | Next Increase/Decrease (use "-") | Fiscal Year (Upon Full Implementation) |
| 1. Estimated Total Cost | \$0 | \$0 | \$0 |
| Personal Services | \$0 | \$0 | \$0 |
| Current Expenses | \$0 | \$0 | \$0 |
| Repairs & Alterations | \$0 | \$0 | \$0 |
| Assets | \$0 | \$0 | \$0 |
| Other | \$0 | \$0 | \$0 |
| 2. Estimated Total Revenues | \$0 | \$0 | \$0 |

Rule Title: Exchange of Information Agreement Between the State Tax Department and the Department of Commerce, the Department of Transportation and the Department of Environmental Protection

3. Explanation of above estimates (including long-range effect):

Please include any increase or decrease in fees in your estimated total revenues:

Approval of the proposed rule will not increase or decrease Tax Department costs or revenues.

MEMORANDUM

Please identify any areas of vagueness, technical defects, reasons the proposed rule **would not** have a fiscal impact, and/or any special issues **not** captured elsewhere on this form.

The rule, as written, authorizes certain information to be exchanged pursuant to a written interagency agreement between the State Tax Department and the Department of Commerce, the Department of Transportation and the Department of Environmental Protection. Since the rule merely allows for the exchange of information, the rule does not have any net fiscal impact.

Date: _____

Charles O. Lorensen
Cabinet Secretary of the Department of Revenue

**PROPOSED
TITLE 110
LEGISLATIVE RULE
STATE TAX DEPARTMENT**

FILED
2011 JUN 17 AM 11:29

OFFICE OF THE CLERK
SECRETARY OF STATE

**SERIES 50G
EXCHANGE OF INFORMATION AGREEMENT BETWEEN THE
STATE TAX DEPARTMENT AND THE DEPARTMENT OF COMMERCE, THE
DEPARTMENT OF TRANSPORTATION AND THE DEPARTMENT OF
ENVIRONMENTAL PROTECTION**

§ 110-50G-1. General.

1.1 Scope. – This rule authorizes certain information to be exchanged pursuant to a written interagency agreement between the State Tax Department and the Department of Commerce, the Department of Transportation and the Department of Environmental Protection.

1.2 Authority. – This rule is promulgated under the authority of W. Va. Code §§ 11-10-5 and 11-10-5s.

1.3. Filing Date.

1.4. Effective Date.

§110-50G-2. Purpose. Senate Bill 465, enacted March 12, 2011, amended West Virginia Code § 11-13Q-20 to require that on or before February 1, 2013, the Department of Commerce, in consultation with the Tax Commissioner, the Department of Transportation and the Department of Environmental Protection submit to the Governor, the President of the Senate and the Speaker of the House of Delegates a report of the impact of all the tax credits and other economic incentives provided in S.B. 465. The report is to include the impact on economic development in this state, including but not limited to the creation of jobs in this state, upon the state's infrastructure, including but not limited to the need for construction or maintenance of the roads and highways of the state, upon the natural resources of the state, and upon public and private property interests in the state. This rule will facilitate the consultation process and the provision of any necessary information to the agencies involved..

§110-50G-3. Disclosure of Certain Information Authorized.

3.1. In accordance with W. Va. Code §11-10-5s(b)(4), the State Tax Commissioner and the Department of Commerce, the Department of Transportation and the Department of Environmental Protection may, in order to accomplish the purposes set forth in section two of this rule, exchange information pursuant to a written

agreement specifying the type and manner of information to be exchanged and containing provisions for safe guarding any confidential information received pursuant to the agreement.

3.2. The State Tax Commissioner shall file a copy of any exchange of information agreement entered into pursuant to this rule, including any subsequent revision of the agreement, or amendment, in order to allow an opportunity for public comment.