



FILED IN THE OFFICE OF
A. JAMES MANCHIN
SECRETARY OF STATE

THIS DATE Feb. 14, 1983
Administrative Law Division Julia R Steenson

STATE OF WEST VIRGINIA
OFFICE OF THE SECRETARY OF STATE
CHARLESTON 25305

A. JAMES MANCHIN
SECRETARY OF STATE

STATE REGISTER FILING

I, Herschel H. Rose III, Commissioner,
Title or Position

Tax Department, hereby submit to record in
Department or Division

the State Register on 8 1/2 x 11" paper two (2) copies of

- proposed rules and regulations concerning topics of material not covered by existing rules and regulations;
- proposed rules and regulations superseding rules and regulations already on file;
- notice of hearing;
- findings and determinations;
- rules and regulations; or
- other - specify (LEGISLATIVE PROCEDURAL INTERPRETIVE) RULE

This filing pertains to

Chapter 11
Article 10
Series XIII
Section 1, 2a.07(i), 2a.08, 2b.08
Code No. 1, 79, 86, 124

- proposed rules and regulations are required to go to Legislative Rule Making Committee;
- proposed rules and regulations are excluded from Legislative Rule Making Committee;

February 14, 1983
Date Submitted

Herschel H. Rose III
Signature of Person Authorizing
this Filing



**State Tax Department
of West Virginia**

Charleston 25305

JOHN D. ROCKEFELLER IV
GOVERNOR

HERSCHEL H. ROSE III
TAX COMMISSIONER

JOHN M. FARMER
ASSISTANT COMMISSIONER

GARY A. GORRELL
DEPUTY COMMISSIONER

Telephone
(304)348-2501

FISCAL NOTE

Re: Fiscal note to proposed amendments to W. Va. Adm. Reg.
(BOT) 11-10, Ser. XIII (1974).

The purpose of these proposed amendments is to implement, explain and clarify the provisions of W. Va. Code §§11-13-2a and 11-13-2b, as they relate to the business and occupation tax liability of producers of timber and manufacturers of timber products.

In compliance with W. Va. Code §29A-3-4, the itemized cost of implementing these proposed amendments as they relate to this State and to persons affected by these rules and regulations is as follows.

A. Cost to State.

1. The administrative costs associated with implementing these proposed regulations will be insignificant.
2. The cost of auditing taxpayer records for compliance with the law and these regulations will be reduced because the regulations permit apportionment of gross income according to specified percentages to determine the amount to be reported under the timber production classification and the manufacturing of timber products classification, and require such apportionment in the absence of records supporting the value as determined under some other method.
3. This fiscal note includes only the costs of implementing these proposed regulations. It does not include the revenue effect of the 1982 amendments to W. Va. Code §§11-13-2a and 11-13-2b, relating to taxation of timber producers and manufacturers of timber products.

B. Cost to Taxpayers.

1. The cost to taxpayers of complying with these proposed regulations will be insignificant. The regulations permit taxpayers to apportion gross income to determine the taxable value to be reported under the timber production classification and the manufacturing of timber products classification.
2. This fiscal not includes only the cost to taxpayer of complying with these regulations. It does not include the effect which the 1982 amendments to W. Va. Code §§11-13-2a and 11-13-2b has on taxpayers.

Submitted to the State Register on February 14, 1983 in compliance with W. Va. Code §29A-3-5 and §29A-3-9.


HERSCHEL H. ROSE III
STATE TAX COMMISSIONER