



WEST VIRGINIA SECRETARY OF STATE

MAC WARNER

ADMINISTRATIVE LAW DIVISION

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Office of West Virginia  
Secretary Of State

NOTICE OF SUNSET PROVISION EXTENSION REQUEST

AGENCY: Tax TITLE-SERIES: 110-13DD

RULE TYPE: Legislative CITE STATUTORY AUTHORITY: §11-13DD-5(a) and (b)

RULE NAME: 110-13DD Farm-To-Food Bank Tax Credit

PLEASE SELECT A SUNSET PROVISION OPTION:

EXTEND THE SUNSET DATE OF THE RULE.

5 REQUESTED NUMBER OF YEARS FOR EXTENSION (SUBJECT TO LRMRC REVIEW).

LET THIS RULE EXPIRE.

PLEASE INDICATE IF THIS RULE INCLUDES:

RELEVANT FEDERAL STATUTES OR REGULATIONS  INCORPORATED BY REFERENCE

PLEASE PROVIDE A BRIEF SUMMARY OF THE CONTENT OF THE RULE:

This rule will provide guidance in the administration of this credit by providing additional definitions, establishing the procedure for claiming credit, addressing confidentiality requirements, and incorporating certain general administrative procedures.

SUMMARIZE IN A CLEAR AND CONCISE MANNER THE REASONS FOR REQUESTING A SUNSET PROVISION EXTENSION:

According to W. Va. Code §29A-3-19(e), an agency has 60 days from receipt of notice to file the rule with the Secretary of State and the Legislative Rule-Making Review Committee (LRMRC) if affirmatively seeking renewal.

SUMMARIZE IN A CLEAR AND CONCISE MANNER THE OVERALL ECONOMIC IMPACT OF THE RULE:

A. ECONOMIC IMPACT ON REVENUES OF STATE GOVERNMENT:

According to our interpretation, passage of this bill would result in an annual revenue decrease of less than \$10,000.

Additional administrative costs incurred by the State Tax Department would be \$15,000 per fiscal year.

B. ECONOMIC IMPACT OF THE LEGISLATIVE RULE ON THE STATE OR ITS RESIDENTS:

According to our interpretation, passage of this bill would result in an annual revenue decrease of less than \$10,000.

Additional administrative costs incurred by the State Tax Department would be \$15,000 per fiscal year.

C. FISCAL NOTE DETAIL:

Effect of Proposal	Fiscal Year		
	2022 Increase/Decrease (use "-")	2023 Increase/Decrease (use "-")	Fiscal Year (Upon Full Implementation)
<b>1. Estimated Total Cost</b>	0	0	15000
<b>Personal Services</b>	0	0	15000
<b>Current Expenses</b>	0	0	0
<b>Repairs and Alterations</b>	0	0	0
<b>Assets</b>	0	0	0
<b>Other</b>	0	0	0
<b>2. Estimated Total Revenues</b>	0	0	10000

D. EXPLANATION OF ABOVE ESTIMATES (INCLUDING LONG-RANGE EFFECT):

According to our interpretation, this credit would result in an annual revenue decrease of less than \$10,000. This estimate is derived from actual experience in other states with a similar tax preference. The amount of this proposed tax credit is equal to ten percent of the value of the donated edible agricultural products by farmers, but does not exceed \$2,500 during a taxable year or the total Personal Income Tax or Corporation Net Income Tax liability, whichever is less, in the year the donation is made. If the amount of the credit exceeds the taxpayers Personal or Corporation Net Income Tax liability for the taxable year, the amount which exceeds the tax liability may be carried over up to four taxable years and applied as a credit against the tax liability of the taxpayer.

Additional administrative costs incurred by the State Tax Department \$15,000 per fiscal year.

**BY CHOOSING 'YES', I ATTEST THAT THE PREVIOUS STATEMENT IS TRUE AND CORRECT.**

Yes

**Allen R Prunty -- By my signature, I certify that I am the person authorized to file legislative rules, in accordance with West Virginia Code §29A-3-11 and §39A-3-2.**

