

# WEST VIRGINIA STATE TAX OVERVIEW

<u>Tax</u>	<u>Tax Base</u>	Calendar Year 2006 <u>Tax Rate</u>
Business Registration	Fee per business location	\$30 biennially
Corporate License	Fee based on authorized capital stock in WV	\$20 - \$2,500 graduated
Corporation Net Income	Federal taxable income with modifications apportioned and allocated to WV	9.0%
Business Franchise	Net equity with modifications apportioned to WV	Higher of \$50 or 0.70%
Severance	Gross receipts attributable to natural resource production	3.22%--timber 5%--oil, gas Various rates--coal
Business and Occupation	Gross receipts or units of activity	
	Public utility services	4.4%--water 4.29%--natural gas 2.86%--other
	Natural gas storage	\$0.05 per net dekatherm
	Electric power production	Generally capped at the average tax for the 1991-1994 period
	Synthetic fuel	\$0.50 per ton
Severance & Business Privilege	Gross proceeds from furnishing behavioral health	5%
Health Care Provider	Gross receipts	0.7% - 5.95%

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Telecommunications	Gross receipts from non-competitive services	4%
Insurance	Gross premiums	3%- 4%
Consumers Sales & Use	Sales of tangible personal property and certain services	6% 5% on Groceries
Personal Income	Federal adjusted gross income with WV adjustments	3% - 6.5% graduated
Gasoline Excise	Gallon	20.5 cents per gallon
Motor Carrier Road (IFTA)	Gasoline miles in WV	20.5 cents per gallon equivalent
Gasoline Sales	5% of average wholesale price	6.5 cents per gallon
Beer	Barrel	\$5.50 per barrel
Cigarette	Pack of 20	55 cents per pack
Other Tobacco Products	Gross invoice price	7%
Soft Drinks	Half-liter	1 cent
Wine Liter	Liter	\$.26406 per liter
Workers' Compensation Severance Tax	Tons of coal Tax per 1,000 cubic feet gas Gross receipts - timber	56 cents per ton 4.7 cents per Mcf 2.78%
Coal Reclamation Fees	Fee per ton of coal	14 cents 2 cents for DEP inspectors

# State Government Tax Collections

	<u>FY2005</u>	<u>Share</u>	<u>FY2004</u>	<u>Growth</u>
<b>Initial Business Taxes</b>		<b>0.21%</b>		
Business Registration	\$ 1,953,552	0.05%	\$ 1,630,825	19.8%
Corporate License	\$ 6,690,261	0.16%	\$ 5,953,280	12.4%
<b>Business Taxes</b>		<b>26.78%</b>		
Corporation Net Income and Business Franchise	\$ 280,788,003	6.91%	\$ 181,515,211	54.7%
Severance*	\$ 301,368,660	7.42%	\$ 206,668,862	45.8%
Coal - Reclamation & DEP Fees	\$ 23,936,259	0.59%	\$ 22,745,055	5.2%
Business & Occupation*	\$ 190,520,781	4.69%	\$ 185,455,094	2.7%
Telecommunications	\$ 8,739,561	0.22%	\$ 11,016,694	-20.7%
Insurance*	\$ 147,332,015	3.63%	\$ 138,540,878	6.3%
Health Care Provider	\$ 158,624,012	3.91%	\$ 152,643,881	3.9%
<b>Consumer Sales &amp; Use Taxes</b>		<b>31.54%</b>		
Consumer Sales	\$ 992,389,426	24.44%	\$ 958,088,450	3.6%
Use	\$ 102,950,409	2.54%	\$ 93,373,188	10.3%
Motor Vehicle Privilege Tax	\$ 176,495,217	4.35%	\$ 176,699,975	-0.1%
Local Selective Sales Tax*	\$ 8,757,755	0.22%	\$ 5,519,864	58.7%
<b>Personal Taxes</b>		<b>28.98%</b>		
Personal Income Tax	\$ 1,171,987,478	28.86%	\$ 1,074,912,080	9.0%
Estate & Inheritance	\$ 4,797,239	0.12%	\$ 9,301,246	-48.4%
<b>Excise Taxes</b>		<b>11.08%</b>		
Motor Fuel Excise	\$ 311,624,679	7.67%	\$ 309,317,627	0.7%
Liquor Profit Transfers	\$ 11,043,765	0.27%	\$ 9,817,041	12.5%
Beer Tax & Licenses	\$ 8,332,550	0.21%	\$ 8,313,353	0.2%
Wine Liter Tax	\$ 1,242,134	0.03%	\$ 1,198,616	3.6%
Tobacco Products Excise Tax	\$ 102,824,768	2.53%	\$ 107,608,566	-4.4%
Soft Drinks	\$ 14,752,667	0.36%	\$ 14,932,529	-1.2%
<b>Miscellaneous Fees and Transfers</b>		<b>0.42%</b>		
Solid Waste Assessment Fee	\$ 15,721,604	0.39%	\$ 14,546,765	8.1%
Racing Fees	\$ 1,370,000	0.03%	\$ 2,070,000	-33.8%
<b>Taxes Collected by Counties</b>		<b>0.41%</b>		
Property (State Share Only)	\$ 4,282,076	0.11%	\$ 3,976,915	7.7%
Property Transfer (State Share Only)	\$ 12,171,339	0.30%	\$ 10,128,603	20.2%
<b>Total</b>	<b>\$ 4,060,696,210</b>	<b>100.00%</b>	<b>\$ 3,705,974,598</b>	<b>9.6%</b>

\* In FY2005, the State distributed \$25.7 million in severance taxes, \$4 million in B&O taxes, \$36.7 million in insurance premium taxes and nearly \$8.8 million in selective sales taxes back to local governments.