



STATE OF WEST VIRGINIA  
 Department of Revenue  
 State Tax Department

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ADMINISTRATIVE NOTICE 2014-23

OFFICE WEST VIRGINIA  
 SECRETARY OF STATE

**ECONOMIC OPPORTUNITY TAX CREDIT:  
 High Technology Manufacturer Median Compensation  
 Notice of Inflation Adjustment for Tax Years Beginning in 2015**

A "high technology manufacturing business" may claim the Economic Opportunity Tax Credit allowed for specified high technology manufacturers when the business' qualified investment in a new or expanded high technology business in West Virginia results in the creation of at least twenty new jobs within twelve months after placing qualified investment into service, and the median compensation of the new jobs attributable to the qualified investment is greater than the inflation-adjusted value specified herein.

For purposes of the Economic Opportunity Tax Credit allowed for specified high technology manufacturers, a "high technology manufacturing business" is defined in W. Va. Code § 11-13Q-10a(a) and is limited to only those businesses engaging in a manufacturing activity properly classified as having one or more of the following six-digit North American Industry Classification System code numbers.

North American Industry Classification System Code	Manufacturing Activity
	<b>Computer &amp; Peripheral Equipment</b>
334111	Electronic Computers
334112	Computer Storage Devices
	<b>Electronic Components</b>
334411	Electron Tubes
334414	Electronic Capacitors
	<b>Semiconductors</b>
334413	Semiconductor & Related Devices
333295	Semiconductor Machinery

The median compensation of the new jobs for purposes of the Economic Opportunity Tax Credit allowed for specified high technology manufacturers is subject to annual adjustment

for inflation. This adjustment is determined by the State Tax Commissioner using the methodology described in subsection 11-13Q-10a(c)(3). The 2015 inflation adjustment factor is based on the percentage by which the Consumer Price Index (CPI) for calendar year 2014 exceeds the CPI for calendar year 2007. For this purpose, the CPI for any calendar year is the average of the Federal Consumer Price Index for the twelve-month period ending on August 31st of such calendar year (W. Va. Code § 11-13Q-10a(c)(3)(C)).

The CPI for 2014 is 235.685 and the CPI for 2007 is 204.873. Based on these figures, the inflation adjustment factor, for purposes of W. Va. Code § 11-13Q-10a(c)(3), for tax years beginning in calendar year 2015, is 1.150395611.

Accordingly, for tax years beginning during calendar year 2015:

The required median compensation of new jobs attributable to the qualified investment for purposes of the Economic Opportunity Tax Credit allowed for specified high technology manufacturers is fifty-one thousand, seven hundred fifty dollars (\$51,750). The inflation increase is rounded to the lowest multiple of fifty dollars under W. Va. Code § 11-13Q-10a(c)(3)(D).

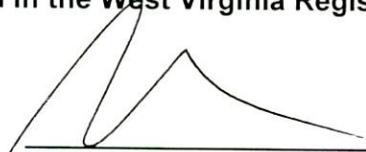
A summary of the applicable inflation-adjusted specified high technology manufacturer median compensation criteria, by calendar year, for tax years beginning in such years, follows:

**CRITERIA**

<b>Constraints Year</b>	<b>Median Compensation</b>
2008	\$45,000
2009	\$46,900
2010	\$47,000
2011	\$47,650
2012	\$48,850
2013	\$50,100
2014	\$50,950
2015	\$51,750

**Notice of this determination will be filed in the West Virginia Register.**

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Mark W. Matkovich  
State Tax Commissioner