

# West Virginia Innovative Mine Safety Technology Tax Credit

Taxpayer Name	Business Name
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Employer Identification Number (EIN):	◀ OR ▶	WV State Tax Department Tax Account ID:
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Street Address of Business

City, Town, or Post Office	State	Zip-Code
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**Tax year Beginning and Ending Dates:** \_\_\_ / \_\_\_ / \_\_\_\_\_ to \_\_\_ / \_\_\_ / \_\_\_\_\_

- ▶ Taxpayers receiving an original allocation of West Virginia Innovative Mine Safety Technology Tax Credit from the West Virginia Office of Miners' Health, Safety and Training must complete Parts A and B of the Schedule. If a Taxpayer receiving an original allocation of West Virginia Innovative Mine Safety Technology Tax Credit is a Pass-Through Entity and any unused credit is to be passed through to the Entity's Owner(s), then Part D must be completed also.
- ▶ An owner Taxpayer receiving an unused allocation of West Virginia Innovative Mine Safety Technology Tax Credit from a Pass-Through Entity subsidiary must complete Parts A and C of the Schedule.

**Under penalties of perjury, I declare that I have examined this tax credit claim form (including accompanying schedules and statements) and to the best of my knowledge it is true and accurate.**

Signature of Authorized Taxpayer Representative	Date
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Typed or Printed Name of Authorized Taxpayer Representative	Title
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Telephone Number

Person to contact concerning this schedule (Name and Telephone Number)

## Part A — Innovative Mine Safety Technology Tax Credit Summary

1. Current Year Innovative Mine Safety Technology Tax Credit Attributable to Direct Allocations from the West Virginia Office of Miners' Health, Safety and Training (Enter the amount from Part B, Line 5 (Amounts not supported by completed Part B will be disallowed))..... \$ \_\_\_\_\_
2. Current Year Innovative Mine Safety Technology Tax Credit Allocated to the Owner of a Pass-Through Entity that received a direct allocation of the tax credit from the West Virginia Office of Miners' Health, Safety and Training (Enter the amount from Part C, Line 1. Total (Amounts not supported by completed Part C will be disallowed))..... \$ \_\_\_\_\_
3. Total Current Year Innovative Mine Safety Technology Tax Credit (Add the amounts on Line 1 and 2 and enter here)..... \$ \_\_\_\_\_

*Continued on the next page...*

Taxpayer Name:

EIN or WV State Tax Department Tax Account ID:

**Part A — Continued**

- 4.A) Total Business Franchise Tax (Before Application of Any Tax Credits {Taxpayers whose Innovative Mine Safety Technology Tax Credit is entirely attributable to allocation from a Pass-Through Entity enter \$0}) \$

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- B) Combined Subsidiary Credit (§11-23-17(c)) and Business and Occupation Tax Credit (§11-23-17(b))..... \$

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- C) Adjusted Business Franchise Tax (Subtract the amount on Line 4B from the amount on Line 4A and enter here)..... \$

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- D) Maximum Annual Offset of Business Franchise Tax by the Innovative Mine Safety Technology Tax Credit (Multiply the amount on line 4A by 0.50 {50%} and enter here)..... \$

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- E) Maximum Innovative Mine Safety Technology Tax Credit that can be used in any tax year by any Taxpayer in combination with the Owners of the eligible Taxpayer..... \$ 100,000.00

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- F) Innovative Mine Safety Technology Tax Credit to be applied to Reduce Business Franchise Tax Liability (Enter the lesser of the amounts on Lines 3, Line 4C, Line 4D and Line 4E, if less than 0 {zero}, enter 0. Also, enter this value on the Summary of Tax Credits Schedule {CNF-120TC or SPF-100 TC, as appropriate})..... \$

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- 5. Available Innovative Mine Safety Technology Tax Credit Adjusted for Business Franchise Tax Application (Subtract the amount on Line 4F from the amount on Line 3 and enter here)..... \$

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- 6.A) Total Corporation Net Income Tax (Before Application of Any Tax Credits {Taxpayers whose Innovative Mine Safety Technology Tax Credit is entirely attributable to allocation from a Pass-Through Entity enter only the Corporation Net Income Tax Imposed on the conduit income directly derived from the Pass-Through Entity})..... \$

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- B) Maximum Annual Offset of Corporation Net Income Tax by the Innovative Mine Safety Technology Tax Credit (Multiply the amount on line 6A by 0.50 {50%} and enter here):..... \$

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- C) Maximum Innovative Mine Safety Technology Tax Credit that can be used in any tax year by any Taxpayer in combination with the Owners of the eligible Taxpayer (Enter an amount equal to \$100,000 less the amount on Line 4F)..... \$

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- D) Innovative Mine Safety Technology Tax Credit to be applied to Reduce Corporation Net Income Tax Liability (Enter the lesser of the amounts on Lines 5, Line 6B, Line 6C, if less than 0 {zero}, enter 0. Also, enter this value on the Summary of Tax Credits Schedule {CNF-120TC or SPF-100 TC, as appropriate):..... \$

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- 7. Available Innovative Mine Safety Technology Tax Credit Adjusted for Corporation Net Income Tax (Subtract the amount on Line 6D from the amount on Line 5 and enter here):..... \$

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- 8. Unused Innovative Mine Safety Technology Tax Credit to be allocated. If the Taxpayer is a Pass-Through entity and any of the amount on Line 7 is to be allocated to the owners of the Pass-Through entity, complete Part D and enter the total amount of credit to be allocated here:..... \$

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Taxpayer Name:

EIN or WV State Tax Department Tax Account ID:

**Part B — Innovative Mine Safety Technology Tax Credit Allocated by Office of Miners' Health, Safety and Training (OMHST)**

1. Current Year Allocation of West Virginia Innovative Mine Safety Technology Tax Credit (IMSTTC) from the West Virginia Office of Miners' Health, Safety and Training:

- A. Date of Certification..... \_\_\_\_\_
- B. Amount of Innovative Mine Safety Technology Credit Allocated Per the Above Office of Miners' Health, Safety and Training Certification \$ \_\_\_\_\_
- C. Annual Amount of Innovative Mine Safety Technology Credit available for use in the current tax year and the next succeeding four tax years (Divide the amount on line 1B by 5 and enter here)..... \$ \_\_\_\_\_

2. Total Annual Innovative Mine Safety Technology Tax Credit Available from prior years:

- A. One Year Prior Annual IMSTTC (from Part B, Line 1C of 1 year prior IMSTTC-1 form)..... \$ \_\_\_\_\_
- B. Two Years Prior Annual IMSTTC (from Part B, Line 1C of 2 years prior IMSTTC-1 form)..... \$ \_\_\_\_\_
- C. Three Years Prior Annual IMSTTC (from Part B, Line 1C of 3 years prior IMSTTC-1 form)..... \$ \_\_\_\_\_
- D. Four Years Prior Annual IMSTTC (from Part B, Line 1C of 4 years prior IMSTTC-1 form)..... \$ \_\_\_\_\_
- E. Total (Sum Lines 2A, 2B, 2C, and 2D and enter here)..... \$ \_\_\_\_\_

3. Total Annual Innovative Mine Safety Technology Tax Credit Available (Add the amounts on Line 1C and Line 2E and enter here)..... \$ \_\_\_\_\_


4. Maximum Innovative Mine Safety Technology Tax Credit that can be used in any tax year by any Taxpayer in combination with the Owners of the eligible Taxpayer..... \$ 100,000.00

5. Innovative Mine Safety Technology Tax Credit Available for use This tax period (Enter the lesser of the amount on Line 3 and Line 4 here and on Part A. Line 1)..... \$ \_\_\_\_\_

Taxpayer Name:

EIN or WV State Tax Department Tax Account ID:

**Part C — Innovative Mine Safety Technology Tax Credit (IMSTTC) Received from a Pass-Through Entity in which the Taxpayer has an Ownership Interest**

Pass-Through Entity Name	Pass-Through Entity Employer Identification Number (EIN)	Amount of IMSTTC Allocated
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____
1. Total		\$ _____

Taxpayer Name:

EIN or WV State Tax Department Tax Account ID:

**Part D — Current Year Unused Innovative Mine Safety Technology Tax Credit (IMSTTC) to be Allocated to Owners**

- 1. Current Year Allocation of West Virginia Innovative Mine Safety Technology Tax Credit (IMSTTC) from the West Virginia Office of Miners' Health, Safety and Training (Enter the value from Part B Line 3)..... \$ \_\_\_\_\_
- 2. Maximum Innovative Mine Safety Technology Tax Credit that can be used in any tax year by any Taxpayer in combination with the Owners of the eligible Taxpayer (Enter the lesser of \$100,000 And the amount on Line 1) \$ \_\_\_\_\_
- 3. Amount used by the Taxpayer to reduce Business Franchise Tax (Enter the amount from Part A Line 4F)..... \$ \_\_\_\_\_
- 4. Amount used by the Taxpayer to reduce Corporation Net Income Tax (Enter the amount from Part A Line 6D)..... \$ \_\_\_\_\_
- 5. Adjusted amount for potential allocation to owners (Enter the Result from subtracting the values on Line 3 and 4 from the value on Line 2)..... \$ \_\_\_\_\_

\*\*\* Pass-Through Entities (i.e., small business corporations, limited liability companies, partnerships and other unincorporated organizations) shall allocate any unused credit after the Pass-Through Entities application of the credit against the Business Franchise Tax and Corporation Net Income Tax among their members in the same manner as profits and losses are allocated for the taxable year. \*\*\*

**Innovative Mine Safety Technology Tax Credit Allocation to Owners**

Owner Name	Owner EIN	Ownership %	Amount of IMSTTC Allocated
_____	_____	_____ %	\$ _____
_____	_____	_____ %	\$ _____
_____	_____	_____ %	\$ _____
_____	_____	_____ %	\$ _____
_____	_____	_____ %	\$ _____
_____	_____	_____ %	\$ _____
_____	_____	_____ %	\$ _____
_____	_____	_____ %	\$ _____
_____	_____	_____ %	\$ _____
_____	_____	_____ %	\$ _____

# SCHEDULE **IMSTTC-1**

## **WEST VIRGINIA INNOVATIVE MINE SAFETY TECHNOLOGY TAX CREDIT**

### *Information & Instructions*

The purpose of the West Virginia Innovative Mine Safety Technology Tax Credit is to encourage new investment in innovative coal mine safety technology in West Virginia.

Only Innovative Mine Safety Technology Tax Credit that has been approved and allocated by the Office of Miners' Health, Safety and Training may be used to offset West Virginia Taxes.

Pertinent definitions relative to the Innovative Mine Safety Technology Tax Credit included in the Statute are as follows:

“Eligible taxpayer” means a coal mining company which purchases eligible safety property.

“Eligible safety property” means safety technology equipment, that at the time of acquisition, is on the list of approved innovative mine safety technology.

“List of approved innovative mine safety technology” means the list required to be compiled and maintained by the Mine Safety Technology Task Force and approved and published by the director (Director of the Office of Miners' Health, Safety and Training).

“Coal mining company” means:

- (A) Any person subject to tax imposed on the severance of coal by section three, article thirteen-a of the West Virginia Code (W.Va. Code §11-13A-3); or
- (B) Any person working as a contract miner of coal, which mines coal in this state, under contract with a person subject to tax imposed on the severance of coal by section three, article thirteen-a of the West Virginia Code (W.Va. Code §11-13A-3).

“Director” means the Director of the Office of Miners' Health, Safety and Training or West Virginia Office of Miners' Health, Safety and Training established under article one, chapter twenty two-a of the West Virginia Code (W.Va. Code §22-1 et seq.).

“Qualified purchase” means and includes only acquisitions of eligible safety property for use in West Virginia.

“Qualified purchase” does not include:

- (i) Purchases or leases of realty or any cost for, or related to, the construction of any building, facility or structure attached to realty;
- (ii) Purchases or leases of any property not exclusively used in West Virginia;
- (iii) Repair costs including materials used in the repair, unless for federal income purposes, the cost of the repair must be capitalized and not expensed;
- (iv) Motor vehicles licensed by the Department of Motor Vehicles;
- (v) Clothing;
- (vi) Airplanes;
- (vii) Off-premises transportation equipment;
- (viii) Lease of tangible personal property having a primary term of less than five years;
- (ix) Property that is used outside West Virginia; and
- (x) Property that is acquired incident to the purchase of the stock or assets of an industrial taxpayer, which property was or had been used by the seller in his or her industrial business in West Virginia, or in which investment was previously the basis of any other West Virginia tax credit.

A proposed list of approved innovative mine safety technology is to be compiled annually by the Mine Safety Technology Task Force. The Director of the Office of Miners' Health, Safety and Training amends or approves the list.



# INSTRUCTIONS FOR COMPUTATION OF INNOVATIVE MINE SAFETY TECHNOLOGY TAX CREDIT

## PART A — Innovative Mine Safety Technology Tax Credit Summary

**1** Enter current year allocations of Innovative Mine Safety Technology Tax Credit as approved by the West Virginia Office of Miners' Health, Safety and Training.

**2** Owners of a pass-through entity: Enter the amount of Innovative Mine Safety Technology Tax Credit allocated to you by the pass-through entity that received a direct allocation of the credit.

**3** Add the amounts for lines 1 and 2.

**4** Business Franchise Tax:

A. Enter total West Virginia Business Franchise Tax (before application of any other tax credits). Owners of a pass-through entity whose Innovative Mine Safety Technology Tax Credit is entirely attributable to allocation from a pass-through entity, enter \$0.

B. Enter the combined total of Subsidiary Credit and Business and Occupation Tax Credit.

C. Subtract the amount on line 4B from the amount on line 4A.

D. Enter the amount determined from multiplying the amount on line 4A by 0.50 (50%).

E. Enter \$100,000.

F. Enter the lesser of the amounts on Line 3, Line 4C, Line 4D, and Line 4E.

**5** Subtract the amount on Line 4F from the amount on Line 3.

**6** Corporation Net Income Tax:

A. Enter total West Virginia Corporation Net Income Tax (before application of any other

tax credits). Owners of a pass-through entity whose Innovative Mine Safety Technology Tax Credit is entirely attributable to allocation from a pass-through entity, enter only the Corporation Net Income Tax imposed on the conduit income directly derived from the pass-through entity

B. Enter the amount determined from multiplying the amount on line 6a by 0.50 (50%).

C. Enter the result of subtracting the amount on Line 4F from \$100,000.

D. Enter the lesser of the amounts on Line 5, Line 6B, and Line 6C.

**7** Subtract the amount on Line 6D from the amount on Line 5.

**8** If the Taxpayer is a pass-through entity, enter the portion of the amount of Line 7 that is to be allocated to the pass-through entities

## PART B — Innovative Mine Safety Technology Tax Credit Allocated by Office of Miners' Health Safety and Training

**1** **Lines A & B** - Enter information on the amount of Innovative Mine Safety Technology Tax Credit allocated by the Office of Miners' Health Safety and Training for the current year.

**Line C** -Determine the annual amount of Innovative Mine Safety Technology Tax Credit available for the current year and the next succeeding 4 years by dividing the amount on Line 1B by 5.

**2** Enter annual amounts of Innovative Mine Safety Technology Tax Credit from prior years.

**3** Compute a preliminary total annual Innovative Mine Safety Technology Tax Credit by adding the amounts on Line 1C and Line 2E.

**4** Enter \$100,000 – the maximum Innovative Mine Safety Technology Tax Credit that can be used this year.

**5** Compute the Innovative Mine Safety Technology Tax Credit available this year



as the lesser of the amount on Line 3 and the amount on Line 4.

**PART C – Innovative Mine Safety Technology Tax Credit Received from a Pass-Through Entity in which the Taxpayer has an Ownership Interest.**

If Innovative Mine Safety Technology Tax Credit has been allocated by a Pass-Through Entity in which the Taxpayer has an ownership interest, then enter the name and Employer Identification Number (EIN) of the pass-through entity and the amount of tax credit allocated to the Taxpayer.

**If the Pass-Through Entity did not file a Schedule IMSTTC-1 with their West Virginia tax returns showing the allocation of Innovative Mine Safety Technology Tax Credit to their owners, you must attach a copy of the Office of Miners' Health, Safety and Training certificate that allocated credit to the pass-through entity.**

**PART D – Current Year Unused Innovative Mine Safety Technology Tax Credit to be Allocated to Owners.**

If any current year Innovative Mine Safety Technology Tax Credit remains after application against the Taxpayer's West Virginia tax liabilities and the Taxpayer is a Pass-Through Entity, then the unused Innovative Mine Safety Technology Tax Credit may be allocated to the Taxpayer's Owners.

**1** Enter the total current year Innovative Mine Safety Technology Tax Credit available to the

Taxpayer (this should be the same as the amount on Part B Line 3)

**2** Maximum Innovative Mine Safety Technology Tax Credit that can be used by the Taxpayer and the Taxpayer's owners. Enter the lesser of \$100,000 and the amount on Line 1.

**3** Enter the amount of Innovative Mine Safety Technology Tax Credit used by the Taxpayer to reduce Business Franchise Tax liability.

**4** Enter the amount of Innovative Mine Safety Technology Tax Credit used by the Taxpayer to reduce Corporation net Income tax liability.

**5** Amount of current year unused Innovative Mine Safety Technology Tax Credit for potential allocation to owners of the Taxpayer. Enter the amount resulting from subtracting the values on Lines 3 and Line 4 from the value on Line 2.

If any of the amount on Line 5 is to be allocated to the owners of the Taxpayer, enter the Owner's name, Owner's Employer Identification Number (EIN), the Owner's percentage of ownership of the Taxpayer, and compute the amount of Innovative Mine Safety Technology Tax Credit to be allocated as the product of the amount on Line 5 and the Owner's percentage of ownership of the Taxpayer.

