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STATE TAX DEPARTMENT

ADMINISTRATIVE NOTICE 2024-05

ECONOMIC OPPORTUNITY TAX CREDIT

High Technology Manufacturer Median Compensation  
Notice of Inflation Adjustment for Tax Years Beginning in 2025

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 2025 inflation adjustment factor is based on the percentage by which the Consumer Price Index (CPI) for calendar year 2024 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 2024 is 310.945 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 2025, is 1.5177496573.

Accordingly, for tax years beginning during calendar year 2025:

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 sixty-eight thousand two hundred and fifty dollars (\$68,250). 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
2016	\$52,000
2017	\$52,400
2018	\$53,450
2019	\$54,750
2020	\$55,800
2021	\$56,600
2022	\$58,300
2023	\$62,800
2024	\$64,750
2025	\$68,250

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

Issued: December 2, 2024

  
 Matthew Irby  
 Tax Commissioner