



WEST VIRGINIA TAX DIVISION

TSD 454

Motor Vehicle Property Tax Adjustment Credit

This publication provides general information and is not meant to be a substitute for tax laws or regulations.

Beginning January 1, 2024, taxpayers are eligible to claim a Motor Vehicle Property Tax Adjustment Credit. The first opportunity to claim this credit will be on a 2024 WV income tax return, filed in 2025, for all timely paid property taxes made on vehicles in the 2024 calendar year. The same rules will apply for all following years.

Who Qualifies?

Individuals, Partnerships, S-Corporations, LLCs, and C-Corporations

Leasing companies qualify for the credit. They are **required** to pass the savings on to the consumer leasing the motor vehicle. Contact your leasing company for more information on when you can expect to see the discount.

Who Does Not Qualify? **Motor Vehicle Dealers**

The first motor vehicle property tax payment that will be eligible to qualify for the credit is the payment made for the second half of the 2023 property tax year and it must be paid between January 1 - April 1, 2024.

Any property taxes paid in 2023 cannot be claimed.

To ensure that you qualify for the Motor Vehicle Property Tax Adjustment Credit, you will have to:

1. File your personal property tax returns with your County Assessor timely. For businesses that means before September 1 and for individuals before October 1.
2. Pay your personal property taxes timely. That means the first half of the assessment must be paid before October 1 and the second half before April 1.

Location and contact information on your County Assessor can be found at tax.wv.gov.

Only individuals and business motor vehicle owners may qualify for the Motor Vehicle Property Tax Adjustment Credit. The credit is only available for the actual tax paid. If an early payment discount is applied, the credit is limited to the amount actually paid after deduction of the discount. The following Motor Vehicle classifications, which can also be found online at transportation.wv.gov, are eligible for the credit:

Class A	Cars and Trucks	Passenger cars and trucks with a gross weight of 10,000 pounds or less
Class B	Trucks	Trucks, truck tractors, or road tractors with a gross weight of 10,001 pounds or more
Class G	Motorcycles	Every motorcycle, including motor driven cycles and mopeds, having a saddle and no more than three wheels
Class H	Buses	Every motor vehicle designed for carrying more than seven passengers or transportation of persons for compensation, excluding taxicabs
Class T	Trailers	Trailers, boat trailers, or semitrailers of a type designed to be drawn by Class A vehicles with a gross weight of less than 2,000 pounds
Class V	Antique Motor Vehicles	Antique motor vehicles are at least 25 years old
Class X	Farm Trucks	Used exclusively for the transportation of farm products and supplies by a farmer
W. Va. Code § 20-15-2	All-Terrain Vehicles	Any motor vehicle designed for off-highway use and to travel on not less than three low-pressure tires, having a seat designed to be straddled by the operator and handlebars for steering control and intended by the manufacturer to be used by a single operator or by an operator and no more than one passenger

Vehicles that do not qualify for the credit include but are not limited to Class C (trailers and semi trailers), J (taxi cabs), M (mobile equipment) and R (travel trailer) vehicles. To learn more about vehicle classifications, visit transportation.wv.gov.

Taxpayers that do not owe WV income taxes and are not required to file a WV income tax return will be able to file a claim for a rebate in early 2025 of their Motor Vehicle property taxes paid. Continue to check tax.wv.gov for more information and form requirements as they become available.

For more information, you can:

- Call a Taxpayer Services Representative at (304) 558-3333 or toll-free at (800) 982-8297
- Email taxhelp@wv.gov
- Go Online to tax.wv.gov

Please take a moment to read about the **STATE TAX CREDITS** passed by WV Legislation in March 2023 (HB 2526) which includes Vehicles, Small Businesses and Disabled Veterans.

To Potentially Qualify for Refundable Income Tax Credits

- File Personal Property Assessments timely
 1. July 1- Sept 1 (Business)
 2. July 1- Oct 1 (Individual)
- Pay Timely
 - 1st half before Oct 1
 - 2nd half before April 1
- 1st Personal Property tax payment to qualify for any refundable income tax credit is 2nd half of 2023
Personal Property Tax PAID January 2024-March 31, 2024

*No credit will be issued for any Personal Property taxes paid before January 1, 2024.
Credits will not be issued until 2025.*

Types of Refundable Credits beginning January 2024

- **Motor Vehicle Property Tax Credit**
Who qualifies? Individual motor vehicle owners and Small Business Motor Vehicle owners.
What motor vehicles qualify? **See back for more information.**
- **Disabled Veterans Real Property Credit**
Who qualifies? Any Veteran who is considered 90-100% disabled by the Department of Veteran Affairs and has been honorably discharged from any branch of armed services in the US.
What qualifies? Owner occupied PRIMARY residential real property (Class II) – taxes paid timely.
- **Small Business Property Tax Credit**
Who qualifies? Small businesses with an aggregate personal property appraised value of 1 million dollars or less. Persons holding a working interest in oil and natural gas, or natural gas liquids producing properties and/or public service companies that are centrally assessed by the state for personal property tax purposes **DO NOT QUALIFY.**
What qualifies? 50% of the amount of WV Personal Property taxes due and timely paid to a county sheriff by the eligible taxpayer on the taxpayer's personal property.

Effective 2023 Tax Year

**NADA values have increased based on July 1, 2022 for the 2023 tax year.
It is possible that you will see an increase in value on your vehicles on your 2023 tax bill.**

On September 15, 2021 Governor Justice issued Executive Order No. 25-21 that addressed the nation-wide, inflated vehicle values due to supply issues created from the coronavirus pandemic. This executive order directed the State Tax Commissioner to compile a schedule of automobile values based upon the lowest values shown in a nationally accepted used car guide (NADA) from the current year or the previous year, whichever was lower. The State Tax Commissioner found that the values from the previous year were lower. Therefore, we used the NADA values from July 1, 2020 for the **2022** tax bill.

Unfortunately, some of the values have not decreased in the last year. The Executive Order was a one-time deal in the hopes that the market would recover.

We appreciate your patience and understanding.