

**WEST VIRGINIA JUMPSTART SAVINGS PROGRAM  
CREDIT FOR EMPLOYER CONTRIBUTION**

(FOR PERIODS ON OR AFTER JULY 1, 2022)

**NOTE: THE CREDIT ALLOWED MUST BE USED IN THE TAX YEAR IN WHICH THE EMPLOYER CONTRIBUTION WAS MADE. CREDITS MAY NOT BE CARRIED BACK TO A PRIOR TAX YEAR NOR CARRIED FORWARD TO A SUBSEQUENT TAX YEAR. ANY AMOUNT OF UNUSED CREDIT IS FORFEITED.**

<b>SECTION A: BUSINESS IDENTIFICATION</b>							
<b>TAX PERIOD</b>							
1	BEGINNING				ENDING		
	MM	DD	YYYY		MM	DD	YYYY
2	BUSINESS NAME(The entity generating the credit)					FEIN OR SSN	
3	PLEASE SPECIFY THE FORM OF ORGANIZATION THE BUSINESS NAMED ON LINE 2 BELONGS TO. PLEASE NOTE THAT YOU MAY CHECK MORE THAN ONE LINE. FOR EXAMPLE, YOU MAY BELONG AN LLC PARTNERSHIP, THEREFORE YOU WOULD CHECK LLC AND PARTNERSHIP						
	SOLE PROPRIETORSHIP <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> LLC <input type="checkbox"/> S CORPORATION <input type="checkbox"/> C CORPORATION <input type="checkbox"/>						
4	NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM CODE (ENTER 6 DIGIT NAICS CODE NUMBER)						
5	TAXPAYER NAME (Entity or individual claiming the credit. for pass through credits, this is the shareholder)					FEIN OR SSN	

<b>SECTION B: CALCULATION OF AVAILABLE CREDIT</b>			
6	NUMBER OF EMPLOYEES IN YOUR ORGANIZATION		NUMBER OF EMPLOYEE JUMPSTART SAVINGS PROGRAM ACCOUNTS TO WHICH THE EMPLOYER CONTRIBUTED
7	ENTER THE TOTAL AMOUNT OF YOUR CONTRIBUTIONS TO WEST VIRGINIA JUMPSTART SAVINGS ACCOUNTS (The amount must be equal to the contribution made by the employee in the same year not to exceed \$5,000) (The employer must attach documentation to verify the contribution amount)		
8	AMOUNT OF LINE 7 WHICH WAS ALLOWABLE AS A DEDUCTION WHEN ARRIVING AT THE TAXPAYER'S FEDERAL ADJUSTED GROSS INCOME FOR THE TAXABLE YEAR IN WHICH THE CONTRIBUTION WAS MADE		
9	AVAILABLE CREDIT (LINE 7 MINUS LINE 8)		

AN EMPLOYER MAY NOT CLAIM THE CREDIT AGAINST MORE THAN ONE TYPE OF TAX FOR A SINGLE CONTRIBUTION TO A JUMPSTART SAVINGS ACCOUNT PER WV CODE

<b>SECTION C: CORPORATIONS CLAIMING THE CREDIT AGAINST CORPORATE NET INCOME TAX</b>	
10	ENTER THE AMOUNT OF YOUR TAX LIABILITY
11	AMOUNT OF CREDIT CLAIMED (ENTER THE LESSER OF LINE 9 OR LINE 10)

<b>SECTION D: PASS-THROUGH ENTITY OR SOLE PROPRIETOR CREDIT CLAIMED AGAINST PERSONAL INCOME TAX OR FIDUCIARY INCOME TAX</b>	
12	SHAREHOLDER'S OWNERSHIP PERCENTAGE OF BUSINESS EXPRESSED AS A DECIMAL TO SIX PLACES
13	SHAREHOLDER'S ORDINARY INCOME FROM BUSINESS (COPY OF K-1 SHOULD BE PROVIDED)
14	SHAREHOLDER'S APPORTIONED CREDIT (LINE 9 MULTIPLIED BY LINE 12)
15	ENTER SHAREHOLDER'S WEST VIRGINIA INCOME FOR CREDIT PURPOSES (Full-year residents use WV adjusted gross income. Non-resident/part-year resident filers must calculate an equivalent taxable income following the instructions included below.)
16	QUALIFIED INCOME FRACTION (EXPRESS AS A DECIMAL TO SIX PLACES, NOT GREATER THAN 1, LINE 13 DIVIDED BY LINE 15)
17	WEST VIRGINIA INCOME TAX
18	TAX ATTRIBUTABLE TO QUALIFIED BUSINESS (LINE 17 MULTIPLIED BY LINE 16)
19	AMOUNT OF CREDIT CLAIMED (ENTER THE LESSOR OF LINE 14 OR LINE 18)

<b>SIGNATURE</b>			
<i>Under penalties of perjury, I declare that I have examined this credit claim form and to the best of my knowledge it is true and complete.</i>			
SIGNATURE OF TAXPAYER	NAME OF TAXPAYER (PRINT OR TYPE)	TITLE	DATE
SIGNATURE OF PREPARER OTHER THAN TAXPAYER	ADDRESS	DATE	
PERSON TO CONTACT CONCERNING THIS RETURN			TELEPHONE

# JSP-1

## WEST VIRGINIA JUMPSTART SAVINGS PROGRAM CREDIT FOR EMPLOYER CONTRIBUTION INSTRUCTIONS

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### GENERAL INFORMATION

Effective July 1, 2022, the West Virginia Jumpstart Savings Program allows West Virginia residents to save and invest money to help cover the costs of pursuing a trade or occupation.

An employer may claim a non-refundable tax credit against the West Virginia Personal Income Tax or Corporation Net Income Tax for a matching contribution to a Jumpstart Savings Account. An employer cannot contribute more than the employee contributes to the savings program in a year. Contributions by an employer cannot exceed \$5,000 per employee per year. An employer may not claim the credit for him or herself if they are the beneficiary of the account to which a contribution is made. Per W.Va. Code §11-24-10a (b), this credit is allowed to the extent that it is not allowed as a deduction when arriving at the taxpayer's federal adjusted gross income for the tax year in which the contribution is made.

The employer contribution credit must be used in the tax year in which the contribution is made. Credit may not be carried back to a prior tax year, nor carried forward to a subsequent tax year. Any amount of unused credit is forfeited.

### INSTRUCTIONS FOR SCHEDULE JSP-1

Complete business identification section, including tax year, business name, federal identification number of the business, type of business organization, North American Industry Classification System (NAICS) code, Taxpayer Name and Taxpayer identification number in lines 1 through 5.

**Line 6** Enter the number of employees in your organization and the number of employee Jumpstart Savings Programs to which you contributed

**Line 7** Enter the dollar amount of your contribution to a West Virginia Jumpstart Savings Account. This amount must be equal to a contribution made by the employee to such account in the same tax year and not exceed \$5,000 per employee. Employee should submit documentation supporting the contribution amount claimed to the WV Tax Division. Additionally, if employees made contributions to the savings program via payroll deduction, you must remit the employee name, social security number and the amount of payroll deductions for the year.

**Line 8** Enter the amount of contributions which were allowed as a deduction when arriving at the businesses federal gross income for the tax year in which the contribution is made.

**Line 9** Subtract Line 8 from Line 7 to get the available credit amount.

### FOR CORPORATE NET INCOME TAX PAYERS

**Line 10** Enter the amount of your Corporate Net Income Tax Liability.

**Line 11** Enter the lessor of Line 9 or Line 10. This is your credit.

### FOR SHAREHOLDER'S PERSONAL OR FIDUCIARY INCOME TAX PAYERS

**Line 12** Enter the Shareholder's Ownership Percentage of the business (six decimal places)

**Line 13** Enter the Shareholder's ordinary income from the business (provide copy of K-1)

**Line 14** Enter Shareholder's apportioned credit (Line 9 times Line 12)

**Line 15** Enter Shareholder's West Virginia Income for Credit Purposes. resident taxpayers using IT-140 or IT-141 use WV adjusted gross income. Other filers must calculate an equivalent taxable income following included instructions.

**Line 16** Divide Line 13 by Line 15 to get the Qualified Income Fraction

**Line 17** Enter your West Virginia Income Tax

**Line 18** Multiply Line 17 by Line 16 to get the tax attributable to the business

**Line 19** Enter the lessor of Line 14 or Line 18. This is the amount of credit which can be claimed against your Personal or Fiduciary Income Tax.

## **CALCULATION OF EQUIVALENT TAXABLE INCOME (ETI) FOR NON-RESIDENT/PART-YEAR RESIDENT FILERS**

### **1. For taxpayers with filing status 1** (single, head of household, or widow(er) with dependent child) or filing status 2 (married filing jointly).

If West Virginia Income Tax is zero, then ETI is zero; If West Virginia Income Tax is greater than zero and less than or equal to \$300, the ETI is West Virginia

Income Tax divided by 0.0300;

If West Virginia Income Tax is greater than \$300 and less than or equal to \$900, then ETI is \$10,000 plus the quantity obtained by subtracting \$300 from the West Virginia Income Tax and dividing this result by 0.0400;

If West Virginia Income Tax is greater than \$900 and less than or equal to \$1,575, then ETI is \$25,000 plus the quantity obtained by subtracting \$900 from the West Virginia Income Tax and dividing this result by 0.0450;

If West Virginia Income Tax is greater than \$1,575 and less than or equal to \$2,775, then ETI is \$40,000 plus the quantity obtained by subtracting \$1,575 from the West Virginia Income Tax and dividing this result by 0.0600;

If West Virginia Income Tax is greater than \$2,775, then ETI is \$60,000 plus the quantity obtained by subtracting \$2,775 from West Virginia Income Tax and dividing this result by 0.0650.

### **2. For taxpayers with filing status 3** (married filing separately):

If West Virginia Income Tax is zero, then ETI is zero.

If West Virginia Income Tax is greater than zero and less than or equal to \$150, the ETI is West Virginia Income Tax divided by 0.0300;

If West Virginia Income Tax is greater than \$150 and less than or equal to \$450, then ETI is \$5,000 plus the quantity obtained by subtracting \$150 from the West Virginia Income Tax and dividing this result by 0.0400;

If West Virginia Income Tax is greater than \$450 and less than or equal to \$787.50, then ETI is \$12,500 plus the quantity obtained by subtracting \$450 from the West Virginia Income Tax and dividing this result by 0.0450;

If West Virginia Income Tax is greater than \$787.50 and less than or equal to \$1,387.50, then ETI is \$20,000 plus the quantity obtained by subtracting \$787.50 from the West Virginia Income Tax and dividing this result by 0.0600;

If West Virginia Income Tax is greater than \$1,387.50, then ETI is \$30,000 plus the quantity obtained by subtracting \$1,387.50 from West Virginia Income Tax and dividing this result by 0.0650.

### **B. Calculate equivalent exemption value (EEV).**

The equivalent exemption value is determined by multiplying the reported exemption value by the reported income percentage.

### **C. Equivalent West Virginia Adjusted Gross Income.**

The Equivalent West Virginia Adjusted Gross Income is determined as the minimum of Total West Virginia Income (from Form IT-140NR/PY) and the sum of the Equivalent Taxable Income (ETI) and the Equivalent Exemption Value (EEV).