

# SAAM-A

## West Virginia Tax Credit For Federal Excise Tax Imposed Upon Small Arms And Ammunition Manufacturers Application Instructions

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The West Virginia Tax Credit For Federal Excise Tax Imposed Upon Small Arms And Ammunition Manufacturers (SAAM) is available to a manufacturer making a qualified investment (on or after July 1, 2021) in a new or expanded small arms and ammunition manufacturing facility in this state of at least \$2 million dollars. Qualified businesses include only those engaged in the business activity of small arms and ammunition manufacturing within West Virginia. A Small Arms and Ammunition Manufacturing Business is defined as a business primarily engaged in small arms or ammunition manufacturing which is or may be classified under the North American industry Classification System with a six-digit code for a product produced at a facility under code numbers 332992 or 332994.

Business expansion is defined as capital investment in a new or expanded small arms or ammunition manufacturing facility in this State. Expanded facility means a small arms and ammunition manufacturing facility, other than a new or replacement facility, resulting from the acquisition, construction, reconstruction, installation, or erection of improvements or additions to existing property if the improvements or additions are purchased on or after July 1, 2021, but only to the extent of the taxpayers' qualified investment in the improvements or additions. New small arms and ammunition manufacturing facility means a business facility which is employed by the taxpayer in the conduct of small arms and ammunition manufacturing activity and was purchased by or leased to the taxpayer on or after July 1, 2021,

By Law, no credit may be allowed or applied for any qualified investment property placed in service until the person asserting a claim for the credit makes a written application to the Tax Commissioner. Failure to timely apply for the credit will result in forfeiture of 50% of the annual credit allowance otherwise available under this requirement. Form SAAM-A is designed to be a general application form for taxpayers wishing to claim credit based upon investments placed into use or service on or after July 1, 2021. The timely filing of this application is a condition precedent to claiming tax credits. This application must be filed annually no later than the due date of the taxpayer's West Virginia income tax return including any legally granted extension of time for filing such returns.

**Note: For the application to be considered timely filed, all information in the application must be completed fully.**

### Instructions to SAAM-A

#### SECTION A: BUSINESS IDENTIFICATION

<b>FEIN</b>	Enter Federal Employer Identification Number
<b>WV TAX ID</b>	Enter eight digit West Virginia Account number for which the credit will be used
<b>TAX PERIOD</b>	Enter beginning and ending dates for the tax period in which the investments was made
<b>BUSINESS NAME</b>	Enter the name of the business which made the investments.
<b>TAXPAYER NAME</b>	Enter the full legal name of the individual who made the investment.

## SECTION B: INVESTMENT INFORMATION

- 5. INVESTMENT PURPOSE** Place a check mark in the block next to the applicable purpose of your investment. (Check only one block.)
- (a.) The Taxpayer for purposes of industrial expansion places qualified investment property in service or use.
  - (b.) The Taxpayer for purposes of industrial revitalization places qualified investment property in service or use.
  - (c.) The Taxpayer for purposes of both industrial expansion and revitalization places qualified property in service or use.
- 6. BUSINESS ACTIVITY IN WEST VIRGINIA**
- (a.) Enter the North American Industry Classification System Code that most closely describes your business activity in West Virginia
  - (b.) Describe the industrial expansion or industrial revitalization activity in West Virginia that is associated with your new investment (e.g., construction of a new reconstituted wood product manufacturing plant).
- 7. INVESTMENT YEAR** Enter the year investment is placed into service or use
- TOTAL INVESTMENT AMOUNT \$** Enter the total dollar amount of investment placed into service or use
- QUALIFIED INVESTMENT \$** Enter dollar amount of qualified investment placed into service or use
- 8. LOCATION(S) OF INVESTMENT IN WEST VIRGINIA** Enter the location(s) of the qualified investment property (i.e. Main Street, Weston, or 12 miles north of Pipestem at the Intersection of State Route 3 and State Route 20).
- 9. GENERAL DESCRIPTION OF QUALIFIED INVESTMENT (NARRATIVE):** Provide a general description of the qualified investment property in the space provided (i.e. \$100,000 to be invested in buildings, \$500,000 to be invested in machinery and equipment, etc.)

## SECTION C: ADDITIONAL REQUIRED INFORMATION

- 10. EMPLOYMENT**
- a) Enter your total West Virginia payroll and number of jobs attributed to that payroll for the prior year (i.e., twelve-month period) before the placement of this year's qualified investment subject to Manufacturing Investment Tax Credit into service or use.
  - b) Enter your total West Virginia payroll and number of jobs for the current year.
- 11. BENEFITS**
- a) Enter the percentage of your employees covered under your sponsored health insurance plan.
  - b) Enter the average annual cost of your employer-provided health insurance benefits (i.e., benefit costs divided by number of covered employees).
  - c) Enter the percentage of your employees covered under your retirement plan.
  - d) Enter the average annual retirement benefit contribution cost per covered employee.

## SECTION D: COMPUTATION OF QUALIFIED INVESTMENT

### ITEMIZED LISTING OF INVESTMENTS REQUIRED

#### ELIGIBLE INVESTMENTS THIS YEAR

To determine the amount of eligible investment for the manufacturing investment tax credit, the cost of each asset purchased is multiplied by the applicable percentage shown below according to the useful life of the property.

<b>INVESTMENT WITH USEFUL LIFE OF AT LEAST 4 YEARS BUT LESS THAN 6 YEARS</b>	In Column A enter the Net Cost. In column C multiply Column A by the applicable percentage 33 $\frac{1}{3}$ %
<b>INVESTMENT WITH USEFUL LIFE OF AT LEAST 6 YEARS BUT LESS THAN 8 YEARS</b>	In Column A enter the Net Cost. In column C multiply Column A by the applicable percentage 66 $\frac{2}{3}$ %
<b>INVESTMENT WITH USEFUL LIFE OF 8 YEARS</b>	In Column A enter the Net Cost. In column C multiply Column A by the applicable percentage 100%
<b>TOTAL QUALIFIED INVESTMENT FOR THIS TAX YEAR</b>	Sum of Column C

### ADDITIONAL INFORMATION

The timely filing of this application coincides with the authorization for the Applicant to begin claiming investments for purposes of the Small Arms and Ammunition Manufacturers Tax Credit. Such filing of the application will not bar or otherwise prevent the Tax Commissioner from auditing or examining Applicant's books and records for compliance with the Small Arms and Ammunition Manufacturers Tax Credit law and regulations.

This application must be signed by an officer of the company to be valid.

**Please sign this Application and file with:**

West Virginia Tax Department  
P.O. Box 1202  
Charleston, WV 25324-1202

If you have any questions about these reporting procedures, please contact the West Virginia State Tax Department, Tax Account Administration Division, 1001 Lee Street East, Charleston WV 25301-1725, or call (304) 558-3333. You can also visit our website: [www.wvtax.gov](http://www.wvtax.gov)