

RECIPROCAL INCOME TAX AGREEMENT  
between  
STATE OF WEST VIRGINIA  
and  
COMMONWEALTH OF KENTUCKY

WHEREAS, under the existing laws of the State of West Virginia and the Commonwealth of Kentucky, a Kentucky resident, who at no time during the taxable year was a resident of West Virginia, and who is employed in West Virginia and deriving income from salary or wages from such employment, or a West Virginia resident, who at no time during the taxable year was a resident of Kentucky, and who is employed in Kentucky and deriving income from salary or wages from such employment may be relieved from the filing of a nonresident income tax return in the state of employment; and a Kentucky employer of a West Virginia resident and a West Virginia employer of a Kentucky resident may be relieved from withholding income tax from the salary or wages of such persons; and

WHEREAS, the laws of Kentucky and West Virginia include reciprocal provisions under which such nonresidents are exempt from net income taxes on their salaries or wages to the State of nonresidence provided the state of residence of such nonresident individuals allows a substantially similar exemption, and employers are exempt and relieved from withholding income tax provided the state of residence of such nonresident individuals allows a substantially similar exemption; and

WHEREAS, large numbers of citizens and residents of Kentucky and West Virginia, who do not at any time during the taxable year become residents in their state of employment, earn their livelihood in the neighboring state; and

WHEREAS, it is the intention and desire of the taxing authorities of the respective jurisdictions to collect taxes from their respective residents and relieve such nonresidents of the burden of filing nonresident income tax returns in their nonresident state of employment, and employers of the burden of withholding income tax from such nonresidents;

NOW, THEREFORE, pursuant to and in conformity with the laws and regulations of their respective jurisdictions, the STATE OF WEST VIRGINIA, by and through its State Tax Commissioner, G. Thomas Battle, and the COMMONWEALTH OF KENTUCKY, by and through its Commissioner of Revenue, James E. Lockett, do hereby covenant and agree to the following:

1. With respect to residents of the State of West Virginia, who are not residents of Kentucky at any time during the taxable year and who are employed in Kentucky, and whose only income from Kentucky sources is in the form of salaries or wages, the Kentucky Department of Revenue will not require such individuals to file a nonresident Kentucky income tax return.

2. With respect to the residents of the Commonwealth of Kentucky, who are not residents of the State of West Virginia at any time during the taxable year and who are employed in the State of West Virginia, and whose only income from West Virginia sources is in the form of salaries or wages, the West Virginia State Tax Department will not require such individuals to file a nonresident West Virginia income tax return.

3. With respect to employers located in the State of West Virginia who employ Kentucky residents, who are not residents of West Virginia at any time during the taxable year, the West Virginia State Tax Department will not require such employers to withhold West Virginia income taxes from the wages or salaries of such Kentucky residents who file with their employers certificates of nonresidence.

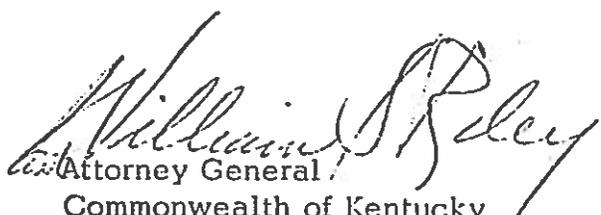
4. With respect to employers located in the Commonwealth of Kentucky who employ West Virginia residents, who are not residents of Kentucky at any time during the taxable year, the Kentucky Department of Revenue will not require such employers to withhold Kentucky income taxes from the wages or salaries of such West Virginia residents who file with their employers certificates of nonresidence.

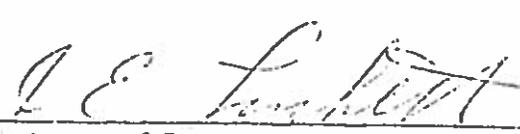
5. The provisions of this reciprocal agreement shall become effective for all taxable years beginning on and after the first day of January, 1965, and shall remain effective until such time as the laws of either jurisdiction may require a change in the agreement.

Executed in duplicate, this the 9<sup>th</sup> day of April, 1965.

  
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State Tax Commissioner  
STATE OF WEST VIRGINIA

APPROVED:

  
\_\_\_\_\_  
Attorney General  
Commonwealth of Kentucky

  
\_\_\_\_\_  
Commissioner of Revenue  
COMMONWEALTH OF KENTUCKY