- 1 HB230
- 2 126349-4
- By Representatives Galliher, Hubbard (M), Thomas, Sanderford,
- Rich, McMillan, Mask, Tuggle, Long, Treadaway, Drake, Johnson
- 5 (K), Fincher, Hill, McCutcheon, Canfield, Oden, Jones, Wren,
- 6 Merrill, Nordgren, Wood, Patterson, Williams (J), Chesteen,
- Gaston, Wallace, Greer, Baughn, Bridges, Williams (P), Lee,
- Johnson (W), Weaver, Ison, Farley, Roberts, Beckman, Collins,
- 9 Williams (D), Clouse, Hurst, Johnson (R), Hammon, Boman,
- 10 McClurkin, Love, Poole, Faust, Brown, Shiver, Boothe, Henry,
- Beech, Todd, Hall, Melton, McCampbell, Grimsley, Boyd,
- 12 McAdory, Hubbard (J) and Ford
- 13 RFD: Economic Development and Tourism
- 14 First Read: 10-MAR-11

1	ENGROSSED
2	
3	
4	A BILL
5	TO BE ENTITLED
6	AN ACT
7	
8	To provide an incentive for job creation in Alabama;
9	and to make legislative findings regarding the purpose of this
10	act.
11	BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:
12	Section 1. This act may be cited as the "Full
13	Employment Act of 2011."
14	Section 2. For purposes of this act, a small
15	business is defined as a business that employs 50 or fewer
16	employees on the effective date of this act.
17	Section 3. The Legislature finds and determines, in
18	accordance with its goal, shared by Governor Robert Bentley,
19	of achieving statistical full employment for Alabama's
20	citizens, that the Legislature intends to foster an optimal
21	environment for job growth throughout the state.
22	Section 4. (a) An Alabama income tax credit is
23	hereby established for small businesses that create new jobs
24	paying more than ten dollars (\$10) per hour. The credit shall
25	equal one thousand dollars ( $\$1,000$ ) and shall be available in
26	the tax year during which the employee has completed 12 months
27	of consecutive employment.

(b) The employer must have a net increase in the total number of full time employees in Alabama on the last date of each tax year <u>during which employees are hired</u> for which he or she the employer claims a credit, over the number employed in Alabama as of the last day of the tax year immediately preceding the first credit employment year. The increase must equal or exceed the number of newly hired employees for which a credit is sought by one employee for each newly hired employee for whom a credit is being sought for the current year, plus one employee for all employees for whom credits were claimed in prior years.

- (c) The credit shall be allowed against the tax imposed by Chapter 18, Title 40 of the Code of Alabama 1975. This tax credit shall not be allowed to decrease a taxpayer's tax liability to less than zero. The credit is not refundable or transferable. The credit shall be available, on a pro rata basis, to the owners of qualified employers that are entities taxed under subchapters S or K of the Internal Revenue Code.
- (d) The income tax credit provided in this section may be claimed only for employees who are hired following the date this act is signed by the Governor or is otherwise formally enacted.

Section 5. The provisions of this act are severable. If any part of this act is declared invalid or unconstitutional, that declaration shall not affect the part which remains.

L	Section 6. <del>All laws or parts of laws which conflict</del>
2	with this act are repealed. Act 2010-557 of the 2010 Regular
3	Session (Acts 2010, p. 1132), now appearing as Article 10,
1	commencing at Section 40-18-270 of Chapter 18 of Title 40,
ō	Code of Alabama 1975, is specifically repealed.
ō	Section 7. This act shall become effective for the
7	tax years beginning on or after January 1, 2011.

1	
2	
3	House of Representatives
4 5 6 7	Read for the first time and referred to the House of Representatives committee on Economic Development and Tourism
8	
9 10 11	Read for the second time and placed on the calendar 1 amendment 31-MAR-11
12 13	Read for the third time and passed as amended
14	Yeas 96, Nays 0, Abstains 0
15 16 17 18	Greg Pappas Clerk