

1 HB230  
2 126349-4  
3 By Representatives Galliher, Hubbard (M), Thomas, Sanderford,  
4 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,  
7 Gaston, Wallace, Greer, Baughn, Bridges, Williams (P), Lee,  
8 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,  
11 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 (b) The employer must have a net increase in the  
2 total number of full time employees in Alabama on the last  
3 date of each tax year during which employees are hired for  
4 which ~~he or she~~ the employer claims a credit, over the number  
5 employed in Alabama as of the last day of the tax year  
6 immediately preceding the first ~~credit~~ employment year. The  
7 increase must equal or exceed the number of newly hired  
8 employees for which a credit is sought by one employee for  
9 each newly hired employee for whom a credit is being sought  
10 for the current year, plus one employee for all employees for  
11 whom credits were claimed in prior years.

12 (c) The credit shall be allowed against the tax  
13 imposed by Chapter 18, Title 40 of the Code of Alabama 1975.  
14 This tax credit shall not be allowed to decrease a taxpayer's  
15 tax liability to less than zero. The credit is not refundable  
16 or transferable. The credit shall be available, on a pro rata  
17 basis, to the owners of qualified employers that are entities  
18 taxed under subchapters S or K of the Internal Revenue Code.

19 (d) The income tax credit provided in this section  
20 may be claimed only for employees who are hired following the  
21 date this act is signed by the Governor or is otherwise  
22 formally enacted.

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

1                   Section 6. ~~All laws or parts of laws which conflict~~  
2 ~~with this act are repealed. Act 2010-557 of the 2010 Regular~~  
3 ~~Session (Acts 2010, p. 1132), now appearing as Article 10,~~  
4 ~~commencing at Section 40-18-270 of Chapter 18 of Title 40,~~  
5 ~~Code of Alabama 1975, is specifically repealed.~~

6                   Section 7. This act shall become effective for the  
7 tax years beginning on or after January 1, 2011.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18

House of Representatives

Read for the first time and re-  
ferred to the House of Representa-  
tives committee on Economic Devel-  
opment and Tourism..... . . . . . 10-MAR-11

Read for the second time and placed  
on the calendar 1 amendment ..... . . . . . 31-MAR-11

Read for the third time and passed  
as amended..... . . . . . 14-APR-11

Yeas 96, Nays 0, Abstains 0

Greg Pappas  
Clerk