

1 SB288
2 165915-1
3 By Senators Dial, Ward, Whatley, Shelnutt, McClendon, Williams
4 and Livingston
5 RFD: Finance and Taxation Education
6 First Read: 19-MAR-15

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8 SYNOPSIS: Under existing law, Alabama employers with
9 less than 50 employees may qualify for an income
10 tax or financial institution excise tax credit for
11 hiring recently deployed unemployed veterans who
12 have been discharged from active service within two
13 years from the date of hire.

14 This bill would rename the Heroes for Hire
15 Tax Credit Act of 2012 as the Veterans Employment
16 Act.

17 This bill would allow Alabama employers with
18 less than 50 employees to qualify for an income tax
19 or financial institution excise tax credit for
20 hiring unemployed veterans regardless of when the
21 veterans were discharged from active service.

22
23 A BILL
24 TO BE ENTITLED
25 AN ACT
26

1 To amend Sections 40-18-320, 40-18-321, and
2 40-18-322, Code of Alabama 1975, relating to tax credits for
3 hiring veterans; to rename the act the Veterans Employment
4 Act, and to remove the requirement that the tax credit for
5 hiring unemployed veterans only applies to veterans who have
6 been discharged from active service within two years from the
7 date of hire.

8 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

9 Section 1. Sections 40-18-320, 40-18-321, and
10 40-18-322, Code of Alabama 1975, are amended to read as
11 follows:

12 "§40-18-320.

13 "This article shall be known and may be cited as the
14 ~~"Heroes for Hire" Tax Credit Act of 2012~~ Veterans Employment
15 Act.

16 "§40-18-321.

17 "(a) In addition to the existing tax credit allowed
18 for in the Full Employment Act of 2011, codified as ~~Section~~
19 Sections 40-18-290 through 40-18-293, an additional \$1,000 tax
20 credit for job creation is available if existing requirements
21 of ~~Section~~ Sections 40-18-290 through 40-18-293 are met along
22 with the following definition:

23 "~~RECENTLY DEPLOYED~~ UNEMPLOYED VETERAN. An individual
24 who is all of the following:

25 "(1) Was a resident of Alabama at the time of entry
26 into military service or was mobilized to active, federal
27 military service while a member of the Alabama National Guard

1 or other reserve unit located in Alabama, regardless of the
2 resident's home of record.

3 "(2) Received an honorable or general discharge from
4 active, federal military service ~~within the two-year period~~
5 preceding the date of hire.

6 "(3) Has certification by the Department of Labor at
7 the time of hire of either of the following:

8 "a. Collecting or being eligible to collect
9 unemployment benefits.

10 "b. Having exhausted his or her unemployment
11 benefits.

12 "(b) The term recently deployed unemployed veteran,
13 as used in Sections 40-18-323 and 40-18-324, shall mean an
14 individual who meets the requirements as provided for in
15 subdivisions (1) and (3) of subsection (a) of this section and
16 has received an honorable or general discharge from active,
17 federal military service preceding the date of hire.

18 "§40-18-322.

19 "For all tax years beginning on or after January 1,
20 ~~2012~~ 2016, a qualified employer subject to the requirements of
21 this article and ~~Section~~ Sections 40-18-290 through 40-18-293,
22 shall be eligible for an additional nonrefundable credit
23 against the income tax liability imposed or the state portion
24 of the financial institution excise tax owed in an amount
25 equal to ~~\$1,000~~ one thousand dollars (\$1,000) for each new
26 full-time ~~recently deployed~~ unemployed veteran hired after the

1 passage of this article for a position, the majority of the
2 duties of which are at a business location within Alabama."

3 Section 2. This act shall become effective January
4 1, 2016, following its passage and approval by the Governor,
5 or its otherwise becoming law.