

1 SB75
2 173309-2
3 By Senator Dial
4 RFD: Finance and Taxation Education
5 First Read: 02-FEB-16

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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 and provide further for the definition of an
17 unemployed veteran.

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

23
24 A BILL
25 TO BE ENTITLED
26 AN ACT
27

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; to provide further for a definition; and to remove the
5 requirement that the tax credit for hiring unemployed veterans
6 only applies to veterans who have been discharged from active
7 service within two years from the 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 "In addition to the existing tax credit allowed for
18 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 "(1) RECENTLY DEPLOYED UNEMPLOYED VETERAN. An
24 individual who is all of the following:

25 "a. 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 "b. Received an honorable or general discharge from
4 active, federal military service within the two-year period
5 preceding the date of hire.

6 "c. Has certification by the Department of Labor at
7 the time of hire of either of the following:

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

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

12 "(2) RECENTLY DEPLOYED UNEMPLOYED VETERAN. An
13 individual who is all of the following:

14 "(1) a. Was a resident of Alabama at the time of
15 entry into military service or was mobilized to active,
16 federal military service while a member of the Alabama
17 National Guard or other reserve unit located in Alabama,
18 regardless of the resident's home of record.

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

22 "(3) c. Has certification by the Department of Labor
23 at the time of hire of either of the following:

24 "a. 1. Collecting or being eligible to collect
25 unemployment benefits.

26 "b. 2. Having exhausted his or her unemployment
27 benefits.

1 "§40-18-322.

2 "For all tax years beginning on or after January 1,
3 ~~2012~~ 2016, a qualified employer subject to the requirements of
4 this article and ~~Section~~ Sections 40-18-290 through 40-18-293,
5 shall be eligible for an additional nonrefundable credit
6 against the income tax liability imposed or the state portion
7 of the financial institution excise tax owed in an amount
8 equal to ~~\$1,000~~ one thousand dollars (\$1,000) for each new
9 full-time ~~recently deployed~~ unemployed veteran hired after the
10 passage of this article for a position, the majority of the
11 duties of which are at a business location within Alabama."

12 Section 2. This act shall become effective January
13 1, 2017, following its passage and approval by the Governor,
14 or its otherwise becoming law.