

1 HB83
2 192088-2
3 By Representatives Rowe, South, Weaver, Farley, Hurst, Fridy,
4 McMillan, Williams (JW), Brown, Lovvorn, Standridge, Faulkner,
5 Faust, Carns, Ellis, Mooney, Ainsworth, Moore (B), Wilcox,
6 Polizos, Ledbetter, Sanderford and McCutcheon
7 RFD: Military and Veterans Affairs
8 First Read: 09-JAN-18
9 PFD: 01/08/2018

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2 ENROLLED, An Act,

3 Relating to veterans; to amend Sections 40-18-320,
4 40-18-321, as last amended by Act 2016-188, 2016 Regular
5 Session, 40-18-322, and 40-18-324, of the Code of Alabama
6 1975, and to add Sections 40-18-320.1 and 40-18-325 to the
7 Code of Alabama 1975; to rename the Heroes for Hire Tax Credit
8 Act of 2012 as the Veterans Employment Act; to allow certain
9 small businesses to qualify for an income tax or financial
10 institution excise tax credit for hiring an unemployed veteran
11 regardless of when the veteran was discharged from active
12 service; and to provide for the sunset of the article.

13 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

14 Section 1. Section 40-18-320 of the Code of Alabama
15 1975, is amended to read as follows:

16 "§40-18-320.

17 "This article shall be known and may be cited as the
18 ~~"Heroes for Hire" Tax Credit Act of 2012~~ Veterans Employment
19 Act.

20 Section 2. Section 40-18-320.1 is added to the Code
21 of Alabama 1975, to read as follows:

22 As used in this article, the following terms have
23 the following meanings:

24 "40-18-320.1

1 (1) COMBAT VETERAN. A member of the Armed Forces of
2 the United States who served in a United States Department of
3 Defense designated combat zones and was a resident of the
4 State of Alabama at the time of his or her service and
5 received an honorable general discharge from active, federal
6 military service preceding the date of hire.

7 (2) RECENTLY DEPLOYED UNEMPLOYED VETERAN. An
8 individual who meets the criteria for an unemployed veteran
9 except that he or she must have received an honorable or
10 general discharge from active, federal military service within
11 the two-year period preceding the date of hire.

12 (3) UNEMPLOYED VETERAN. An individual who is all of
13 the following:

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

19 b. Received an honorable or general discharge from
20 active, federal military service preceding the date of hire.

21 c. Has certification by the Department of Labor at
22 the time of hire of either of the following:

23 1. Collecting or being eligible to collect
24 unemployment benefits; or

1 2. Having exhausted his or her unemployment
2 benefits.

3 Section 3. Sections 40-18-321, as last amended by
4 Act 2016-188, 2016 Regular Session, 40-18-322, and 40-18-324,
5 Code of Alabama 1975, are amended to read as follows:

6 §40-18-321.

7 "In addition to the tax credit allowed for in the
8 Full Employment Act of 2011, ~~codified as Sections 40-18-290~~
9 ~~through 40-18-293,~~ or the Alabama Small Business and
10 Agribusiness Jobs Act, ~~an~~ a one time additional one thousand
11 dollar (\$1,000) tax credit ~~for job creation~~ is available if to
12 a business that meets the requirements of for a tax credit
13 under Section 40-18-290 through 40-18-293 or Sections
14 40-18-391 and 40-18-392, ~~are met along with the following~~
15 ~~definition:~~ for each unemployed or combat veteran hired for a
16 full-time position paying at least fourteen dollars (\$14) per
17 hour, the majority of the duties of which are at a business
18 location within Alabama. The additional credit shall only be
19 available in the tax year during which the employee has
20 completed 12 months of consecutive employment.

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

23 ~~"(1) Was a resident of Alabama at the time of entry~~
24 ~~into military service or was mobilized to active, federal~~
25 ~~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 §40-18-322.

13 "For all tax years beginning on or after January 1,
14 ~~2012~~ 2018, a qualified employer subject to the requirements of
15 this article and ~~Section~~ Sections 40-18-290 through 40-18-293,
16 shall be eligible for an additional nonrefundable credit
17 against the income tax liability imposed or the state portion
18 of the financial institution excise tax owed in an amount
19 equal to ~~\$1,000~~ one thousand dollars (\$1,000) for each new
20 ~~full-time recently deployed~~ unemployed or combat veteran hired
21 after the passage of ~~this article~~ this act for a full-time
22 position paying at least fourteen dollars (\$14) per hour, the
23 majority of the duties of which are at a business location
24 within Alabama. The additional credit shall only be available

1 in the tax year during which the employee has completed 12
2 months of consecutive employment.

3 §40-18-324.

4 "The Department of Labor, in coordination with the
5 Department of Revenue, the Department of Economic and
6 Community Affairs, and the Department of Veterans' Affairs
7 shall:

8 "(1) Promote awareness of the ~~recently deployed~~
9 unemployed veteran tax credit authorized in this article to
10 employers and eligible veterans.

11 "(2) Establish procedures for prequalifying an
12 individual as ~~a~~ an ~~recently deployed~~ unemployed veteran and
13 for providing notice to the Department of Labor when a new
14 full-time employee is hired.

15 "(3) Establish procedures for certifying a qualified
16 employer's compliance, or in the case of a credit under
17 subsection (b) of Section 40-18-323, a recently deployed
18 unemployed veteran's compliance, with the eligibility and
19 expense verification requirements to claim the credit
20 authorized under this section.

21 "(4) Adopt measurable goals, outcomes, and an audit
22 strategy to assess the utilization and performance of the
23 credits authorized in this article.

24 "(5) On or before January 15, 2014, submit a written
25 report on its assessment of the credits to the Alabama House

1 Committees on Military and Veterans Affairs, Commerce and
2 Small Business and Ways and Means-Education, and to the
3 Alabama Senate Committees on Veterans and Military Affairs,
4 Finance and Taxation-ETF, and Job Creation and Economic
5 Development.

6 "(6) Engage in efforts to promote the hiring of
7 ~~recently deployed~~ unemployed veterans through hiring practices
8 of the State of Alabama."

9 Section 4. Section 40-18-325 is added to the Code of
10 Alabama 1975, to read as follows:

11 "§ 40-18-325.

12 The tax credits authorized by this article shall not
13 be available after December 31, 2023, unless extended by an
14 act of the Legislature.

15 Section 5. The tax credits authorized by this act
16 shall not be claimed by a qualified employer until the status
17 of the unemployed veteran is verified by the Alabama
18 Department of Labor.

19 Section 6. The Department of Revenue shall, on an
20 annual basis, provide the Legislative Services Agency with the
21 total amount of credits claimed under the Veterans Employment
22 Act in accordance with Act 2015-237.

23 Section 7. This act shall become effective January
24 1, 2018, following its passage and approval by the Governor,
25 or its otherwise becoming law.

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Speaker of the House of Representatives

President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in
and was passed by the House 16-JAN-18, as amended.

Jeff Woodard
Clerk

Senate

15-FEB-18

Amended and Passed
Passed, as amended
by Conference Com-
mittee Report

House

01-MAR-18

Passed, as amended
by Conference Com-
mittee Report

Senate

06-MAR-18
