

1 HB83  
2 188717-3  
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 Section 40-18-320.1 to the Code of Alabama  
7 1975; to rename the Heroes for Hire Tax Credit Act of 2012 as  
8 the Veterans Employment Act; and to allow certain small  
9 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.

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.

5           ~~(1)~~ (2) RECENTLY DEPLOYED UNEMPLOYED VETERAN. An  
6 individual who meets the criteria for an unemployed veteran  
7 except that he or she must have received an honorable or  
8 general discharge from active, federal military service within  
9 the two-year period preceding the date of hire.

10           ~~(2)~~ (3) UNEMPLOYED VETERAN. An individual who is all  
11 of the following:

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

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

19           c. Has certification by the Department of Labor at  
20 the time of hire of either of the following:

21           1. Collecting or being eligible to collect  
22 unemployment benefits; or

23           2. Having exhausted his or her unemployment  
24 benefits.

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

4           §40-18-321.

5           "In addition to the tax credit allowed for in the  
6 Full Employment Act of 2011, ~~codified as Sections 40-18-290~~  
7 ~~through 40-18-293,~~ or the Alabama Small Business and  
8 Agribusiness Jobs Act, ~~an additional one thousand dollar~~  
9 ~~(\$1,000) tax credit~~ an additional two thousand dollar (\$2,000)  
10 tax credit for job creation is available if to a business that  
11 meets the requirements of for a tax credit under Section  
12 40-18-290 through 40-18-293 or Sections 40-18-391 and  
13 40-18-392, ~~are met along with the following definition: for~~  
14 each unemployed or combat veteran hired for a full-time  
15 position paying at least fourteen dollars (\$14) per hour, the  
16 majority of the duties of which are at a business location  
17 within Alabama. The additional credit shall be available in  
18 the tax year during which the employee has completed 12 months  
19 of consecutive employment.

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

22           ~~"(1) Was a resident of Alabama at the time of entry~~  
23 ~~into military service or was mobilized to active, federal~~  
24 ~~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)~~ two thousand  
20 dollars (\$2,000) for each new ~~full-time~~ recently deployed  
21 unemployed or combat veteran hired after the passage of ~~this~~  
22 article this act for a full-time position paying at least  
23 fourteen dollars (\$14) per hour, the majority of the duties of  
24 which are at a business location within Alabama. The  
25 additional credit shall be available in the tax year during

1 which the employee has completed 12 months of consecutive  
2 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. The tax credits authorized by this act  
10 shall not be claimed by a qualified employer until the status  
11 of the unemployed veteran is verified by the Alabama  
12 Department of Labor.

13 Section 5. The tax credits authorized by this act  
14 shall not be available for any unemployed veteran hired after  
15 December 31, 2023 unless extended by an act of the  
16 Legislature.

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

21 Section 7. This act shall become effective January  
22 1, 2018, following its passage and approval by the Governor,  
23 or its otherwise becoming law.

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Speaker of the House of Representatives

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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

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15-FEB-18

Amended and Passed

House

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01-MAR-18

Passed, as amended  
by Conference Com-  
mittee Report

Senate

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06-MAR-18

Passed, as amended  
by Conference Com-  
mittee Report