

ALASKA STATE LEGISLATURE

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SENATOR BILL WIELECHOWSKI

Senate Bill 136: Income Tax Credit for Employing a Veteran Sponsor Statement

Our veterans are some of the most highly trained, highly educated, and highly skilled workers that we have. When businesses hire veterans, they are getting proven leaders with solid work ethics who can solve problems efficiently while staying focused and contributing to an improved bottom line.

Despite many employers acknowledging the advantages of hiring someone who has served in the Armed Forces, veterans continue to see higher than average unemployment rates nationwide. In June 2011, according to the U.S. Bureau of Labor Statistics, one million U.S. veterans were unemployed and the jobless rate for post-9/11 veterans was 13.3%. The picture was even worse for young, male veterans between the ages of 18 and 24, who saw an unemployment rate of 21.9%.

Senate Bill 136 will assist Alaska's veterans get civilian jobs when they leave the service and provide direct benefits to Alaska businesses. This legislation provides a \$2,000 credit for each veteran hired who works at least 1,560 hours within a 12-month period, or approximately 30 hours a week. The bill also includes a \$3,000 tax credit for hiring a disabled veteran, and \$1,000 tax credit for the seasonal hiring of a veteran if that person is employed for 600 hours or more for five consecutive months.

In order to qualify for a tax credit, a business must hire a veteran who has been unemployed for at least four weeks and been released from the military not more than two years before the date of employment. For a disabled veteran, the tax credit is available for not more than 10 years after release from military service.

This is a win-win situation. Struggling Alaskan businesses can get the tax help they need, while Alaska's veterans have an increased chance of finding employment.