

CS FOR SENATE BILL NO. 136(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered: 2/1/12

Referred: Finance

Sponsor(s): SENATORS WIELECHOWSKI, Thomas

A BILL

FOR AN ACT ENTITLED

1 **"An Act providing a tax credit for employing a veteran that may be taken against a**
2 **liability for the tax on corporation income; and providing for an effective date."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 *** Section 1.** AS 43.20 is amended by adding a new section to article 1 to read:

5 **Sec. 43.20.047. Veteran employment tax credit.** (a) A taxpayer that hires a
6 veteran and employs the veteran in the state for 1,560 hours or more during the 12
7 consecutive months immediately following the date the veteran is first employed is
8 entitled to a credit of \$2,000 against the tax due under this chapter. The taxpayer is
9 entitled to the credit for each veteran whose employment qualifies under this
10 subsection.

11 (b) The tax credit under this section may be applied against the tax due under
12 this chapter for the first tax year ending on or after the end of the 12-month
13 employment period described in (a) of this section. The credit may not be used to
14 reduce a person's tax liability under this chapter below zero for any tax year, and any

1 credit or portion of a credit not used under this section may be applied in a later tax
2 year.

3 (c) A taxpayer shall keep a record of the name of the veteran employee whose
4 employment is the basis for a credit under this section, documentation supporting the
5 employee's qualification as a veteran, and the veteran employee's hours employed and
6 period of employment. The department may adopt a regulation that lists the
7 documentation that must be maintained to support a claim that an employee qualifies
8 as a veteran for purposes of this section.

9 (d) In this section, "veteran" means an individual who served in the

10 (1) armed forces of the United States, including a reserve unit of the
11 United States armed forces; or

12 (2) Alaska Territorial Guard, the Alaska Army National Guard, the
13 Alaska Air National Guard, or the Alaska Naval Militia.

14 * **Sec. 2.** This Act takes effect July 1, 2012.