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H.275

Introduced by Committee on Commerce and Economic Development

Date:

Subject: Commerce and trade; taxation; veterans

Statement of purpose: This bill proposes to provide a tax credit to an employer who hires a recently deployed, unemployed veteran.

An act relating to the recently deployed veteran tax credit

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 32 V.S.A. chapter 151, subchapter 11N is added to read:

Subchapter 11N. Recently Deployed Veteran

Tax Credit

§ 5930nn. RECENTLY DEPLOYED VETERAN TAX CREDIT

(a) A qualified employer shall be eligible for a credit against the income tax liability imposed under this chapter in an amount equal to \$2,000.00 for each new full-time employee hired on or before December 31, 2012 for a position, the majority of the duties of which are at a business location within Vermont.

(b) A credit earned under this section shall be claimed in the tax year following the new full-time employee's date of hire and may be carried forward one year.

1 (c) In this section:

2 (1) "New full-time employee" means a recently deployed veteran:

3 (A) who works at least 35 hours per week for not less than 45 of the
4 52 weeks following the individual's date of hire;

5 (B) whose compensation equals or exceeds the prevailing
6 compensation level, including wages and benefits, for the particular
7 employment sector and region of the state as determined by the commissioner
8 of labor; and

9 (C) who at the time of hire:

10 (i) is collecting or eligible to collect unemployment benefits; or

11 (ii) has exhausted his or her unemployment benefits.

12 (2) "Qualified employer" means a person who:

13 (A) is in good standing with respect to applicable registration, fee,
14 and filing requirements with the secretary of state, the department of taxes, and
15 the department of labor; and

16 (B) has in place a valid workers' compensation policy.

17 (3) "Recently deployed veteran" means an individual who:

18 (A)(i) was a resident of Vermont at the time of entry into military
19 service; or

1 (ii) was mobilized to active, federal military service while a
2 member of the Vermont National Guard or other reserve unit located in
3 Vermont, regardless of the resident's home of record; and

4 (B) received an honorable or general discharge from active, federal
5 military service within the two-year period preceding the date of hire.

6 (d) The department of labor, coordinating with the department of taxes, the
7 agency of commerce and community development, and the office of veterans'
8 affairs, shall:

9 (1) promote awareness of the recently deployed veteran tax credit
10 authorized in this section to employers and eligible veterans;

11 (2) establish procedures for prequalifying an individual as a recently
12 deployed veteran and for providing notice to the department of labor when a
13 new full-time employee is hired;

14 (3) establish a procedure for certifying a qualified employer's
15 compliance with the eligibility requirements to claim the credit authorized
16 under this section;

17 (4) adopt measurable goals, outcomes, and an audit strategy to assess the
18 utilization and performance of the credit authorized in this section; and

19 (5) on or before January 15, 2012, submit a written report on their
20 assessment of the credit to the house committees on commerce and economic

1 development and on ways and means, and to the senate committees on finance
2 and on economic development, housing and general affairs.

3 Sec. 2. EFFECTIVE DATE

4 This act shall take effect on passage.