

### H.R.186 – VETERANS JOBS OPPORTUNITY ACT

**POSITION:** The Chamber’s Public Policy Sub-Committee on Defense, Veterans & Military Affairs voted to SUPPORT the bill on February 6, 2019. The Chamber’s Public Policy Committee voted to SUPPORT the bill on February 12, 2019. The Chamber’s Board of Directors supported the bill on February 28, 2019.

**RATIONALE:** Supporting veteran entrepreneurship is a priority for the Defense, Veterans & Military Affairs Committee.

**STATUS:** The bill was introduced by Rep. Al Lawson [FL-5] on January 3, 2019 and referred to the House Ways & Means Committee.

#### SUMMARY

The Veterans Jobs Opportunity Act amends the IRS code to create a new tax credit for veterans or their spouses who want to start a small businesses in an underserved community. The tax credit would be 15 percent of start-up expenses that don’t exceed \$80,000 per year.

#### INDUSTRY/IES IMPACTED

The impact of this bill will not be limited by industry. The credit would be available to any veteran entrepreneur starting a business within an underserved community

#### SUPPORTERS

- Co-Sponsors – House members from the following states: DC, NY, FL, TX, OH, CA, JN, MA, AZ, TN, MI, IL, HI, NH, GA

#### OPPONENTS

- None known

#### ARGUMENTS IN FAVOR

- This bill encourages entrepreneurship amongst veterans and their spouses by offering the ability to lower costs for those who want to start their own small business.
- This bill helps activate underserved communities by providing this tax credit that’s contingent upon the small business being located in an underserved community.
- With San Diego’s large veteran presence and numerous HUBZone designations, this tax credit could be used in a significant way to assist veterans or their spouses in starting a small business.

#### ARGUMENTS IN OPPOSITION

While the intent is laudable, there are many populations that deserve and need help. This bill does not demonstrate fairness with all populations.

#### MORE INFORMATION

The definition of “underserved community” in this case refers to either a HUBZone, empowerment zone or enterprise community, low income or moderate income area, or a county with persistent poverty. The HUBZone designation is the most applicable to the San Diego region. According to a Small Business Administration map, there are HUBZones in the following San Diego areas: Linda Vista, El Cajon, City Heights, Southeast San Diego, National City, Chula Vista, Oceanside, Escondido, Vista, and more.