NGAT Resolution Form

Title: Business Tax Credit for Employers of Actively Serving Texas National Guard

Description: Provide tax credit to employers for actively serving Texas Guardsmen

Proposal Type: New Initial Submission Date: 6/30/23

Submitter: NGAT Resolution Committee (Jon Ireland, JFHQ)

Business Case:

Texas businesses shoulder a hidden cost when employing National Guard members. While Guardsmen bring valuable skills—such as leadership, teamwork, and technical expertise—their service obligations can create challenges, including:

• Scheduling Disruptions: Guardsmen may need time off for monthly drills, annual training, or unexpected deployments, leaving employers to adjust workflows.

• Additional Costs: Businesses may face expenses for overtime, temporary staff, or training replacements to cover these absences.

• Hiring Hesitation: Some employers might view Guardsmen as less reliable due to their unpredictable availability, overlooking their qualifications.

This tax credit flips the narrative by:

• Offsetting Costs: Offering financial relief to cover the indirect expenses of employing Guardsmen.

• Shifting Perceptions: Encouraging employers to see National Guard service as an employment incentive—a marker of a disciplined, skilled worker—rather than a scheduling burden.

• Supporting Texas Values: Reinforcing the state's dual priorities of military readiness and economic growth.

By providing this credit, Texas ensures that businesses are rewarded for their role in supporting the National Guard, turning a potential liability into a competitive advantage.

Recommendation:

Pass a resolution to establish a business tax credit for employers of Texas National Guard members. This resolution recognizes the shared burden Texas employers bear, transforms National Guard service into an employment incentive, and aligns with Texas's commitment to its military and business communities. By supporting employers who hire Guardsmen, Texas can build a stronger, more resilient workforce and economy.