

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1314 Session of  
2008

INTRODUCED BY BAKER, WAUGH, RAFFERTY, PUNT, O'PAKE, MADIGAN,  
KASUNIC, FONTANA, ERICKSON, BOSCOLA, ORIE, KITCHEN,  
TOMLINSON, EICHELBERGER, WONDERLING, REGOLA, LOGAN, CORMAN,  
ARMSTRONG, BROWNE, BRUBAKER, ROBBINS, PIPPY, EARLL, COSTA,  
WOZNIAK, C. WILLIAMS, FOLMER, M. WHITE, D. WHITE, RHOADES,  
McILHINNEY, DINNIMAN, VANCE AND STOUT, MARCH 20, 2008

REFERRED TO FINANCE, MARCH 20, 2008

AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An  
2 act relating to tax reform and State taxation by codifying  
3 and enumerating certain subjects of taxation and imposing  
4 taxes thereon; providing procedures for the payment,  
5 collection, administration and enforcement thereof; providing  
6 for tax credits in certain cases; conferring powers and  
7 imposing duties upon the Department of Revenue, certain  
8 employers, fiduciaries, individuals, persons, corporations  
9 and other entities; prescribing crimes, offenses and  
10 penalties," authorizing a tax credit for volunteer  
11 firefighters for purposes of personal income tax.

12 The General Assembly of the Commonwealth of Pennsylvania  
13 hereby enacts as follows:

14 Section 1. The act of March 4, 1971 (P.L.6, No.2), known as  
15 the Tax Reform Code of 1971, is amended by adding an article to  
16 read:

17 ARTICLE XVIII-C

18 VOLUNTEER RESPONDERS RETENTION

19 AND RECRUITMENT TAX CREDIT

20 Section 1801-C. Scope of article.

1 This article authorizes a volunteer responders retention and  
2 recruitment tax credit.

3 Section 1802-C. Definitions.

4 The following words and phrases when used in this article  
5 shall have the meanings given to them in this section unless the  
6 context clearly indicates otherwise:

7 "Active volunteer." A volunteer emergency medical services  
8 worker or volunteer firefighter.

9 "Commissioner." The State Fire Commissioner appointed  
10 pursuant to section 3 of the act of November 13, 1995 (P.L.604,  
11 No.61), known as the State Fire Commissioner Act.

12 "Department." The Department of Revenue of the Commonwealth.

13 "Director." The director of the Emergency Medical Services  
14 Office in the Department of Health of the Commonwealth.

15 "Secretary." The Secretary of Revenue of the Commonwealth.

16 "Taxpayer." An individual subject to payment of taxes under  
17 Article III.

18 "Volunteer emergency medical services worker." A person  
19 certified as an active volunteer emergency medical services  
20 provider by the director of the Emergency Medical Services  
21 Office in the Department of Health of the Commonwealth.

22 "Volunteer firefighter." The term shall have the same  
23 meaning given to it under section 2(3) of the act of June 11,  
24 1968 (P.L.149, No.84), known as the Volunteer Firefighters'  
25 Relief Association Act. The term includes fire police.

26 "Volunteer fire company." A nonprofit chartered corporation,  
27 association or organization located in this Commonwealth that  
28 provides fire protection services and may offer other volunteer  
29 services within this Commonwealth. Voluntary emergency services  
30 provided by a volunteer fire company may include voluntary

1 ambulance and voluntary rescue services.

2 Section 1803-C. Tax credit.

3 (a) Authorization.--A person certified as an active  
4 volunteer may claim a tax credit of up to the amount specified  
5 in subsection (b) from the tax imposed under Article III. If the  
6 taxpayer's total tax liability under Article III is less than  
7 \$500, the credit shall equal the remaining tax liability.

8 (b) Amount of credit.--

9 (1) The amount of the tax credit is equal to the  
10 following:

11 (i) For the tax year beginning in the 2008 calendar  
12 year, \$100.

13 (ii) For the tax year beginning in the 2009 calendar  
14 year, \$200.

15 (iii) For the tax year beginning in the 2010  
16 calendar year, \$300.

17 (iv) For the tax year beginning in the 2011 calendar  
18 year, \$400.

19 (v) For the tax year beginning in the 2012 calendar  
20 year, \$500.

21 (2) (i) If the taxpayer is not a volunteer firefighter  
22 or volunteer emergency medical services worker for the  
23 entire tax year, the amount of the dollar credit shall be  
24 prorated and the credit amount shall equal the maximum  
25 amount of credit for the tax year, divided by 12,  
26 multiplied by the number of months in the tax year the  
27 taxpayer was a volunteer. The credit shall be rounded to  
28 the nearest \$5.

29 (ii) If the taxpayer is a volunteer during any part  
30 of a month, the taxpayer shall be considered a volunteer

1           for the entire month.

2           (iii) If the taxpayer is a volunteer firefighter and  
3           a volunteer emergency medical services worker during the  
4           same month, a credit may be claimed for only one  
5           volunteer position for that month.

6           (c) Limitation.--In no event shall the total amount of the  
7           tax credit under this article for a taxable year exceed the  
8           taxpayer's tax liability. Any unused tax credit shall be allowed  
9           the taxpayer against succeeding years' tax liability. No such  
10           credit shall be allowed the taxpayer against prior years' tax  
11           liability.

12           Section 1804-C. Active volunteer point system.

13           (a) Duty to develop and implement.--The commissioner and the  
14           director shall jointly develop and implement an active volunteer  
15           point system establishing the annual requirements for  
16           designating firefighters and emergency medical services workers,  
17           respectively, as active volunteers.

18           (b) Factors to be considered.--To determine whether a  
19           volunteer is active, the point system shall consider the  
20           following factors:

21                   (1) Number of emergency calls responded to.

22                   (2) Volunteer's level of training.

23                   (3) Participation in formal training and drills.

24                   (4) Time spent on administration and support activities,  
25           including fundraising and maintenance of facilities and  
26           equipment.

27                   (5) Involvement in other projects that directly benefit  
28           the department's financial viability, emergency response or  
29           operational readiness.

30           Section 1805-C. Credit verification.

1       (a) Volunteer fire company duty to report.--Within ten  
2 business days of the end of each calendar year, the chief of  
3 each volunteer fire company shall submit a report to the  
4 commissioner with the name and address of each volunteer  
5 firefighter who qualified for the tax credit for the previous  
6 calendar year in the format specified by the secretary.

7       (b) Volunteer emergency medical service and ambulance  
8 department duty to report.--Within ten business days of the end  
9 of each calendar year, the chief of each volunteer emergency  
10 medical service or ambulance department shall submit a report to  
11 the director. The report shall include the name and address of  
12 each volunteer emergency medical services worker who qualified  
13 for the tax credit for the previous calendar year in the format  
14 required by the secretary.

15 Section 1806-C. Active volunteer certification.

16       (a) General rule.--On or before January 31 of each year, the  
17 commissioner and the director shall certify each volunteer  
18 firefighter or volunteer emergency medical services worker  
19 reported under section 1805-C as having met the requirements for  
20 designation as an active volunteer.

21       (b) Procedures.--The commissioner and the director, in  
22 cooperation with the secretary, shall jointly develop procedures  
23 for documenting volunteer certification for tax credit purposes.

24       Section 2. This act shall apply to all taxable years  
25 beginning on or after January 1, 2009.

26       Section 3. This act shall take effect immediately.