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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL  
No. 142 Session of  
2011

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INTRODUCED BY HORNAMAN, DEASY, BARRAR, BOBACK, B. BOYLE,  
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STABACK, STURLA, SWANGER AND READSHAW, JANUARY 20, 2011

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REFERRED TO COMMITTEE ON VETERANS AFFAIRS AND EMERGENCY  
PREPAREDNESS, JANUARY 20, 2011

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AN ACT

1 Providing for municipal volunteer fire company, volunteer  
2 ambulance service and volunteer rescue company service  
3 incentives.

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5 The General Assembly of the Commonwealth of Pennsylvania  
6 hereby enacts as follows:

7 CHAPTER 1

8 PRELIMINARY PROVISIONS

9 Section 101. Short title.

10 This act shall be known and may be cited as the Municipal  
11 Volunteers of Fire Companies, Ambulance Services and Rescue  
12 Companies Incentive Act.

13 Section 102. Purpose.

14 The purpose of this act is to authorize municipalities to  
15 enact a tax credit against an active volunteer's earned income  
16 and property tax liability as a financial incentive to:

17 (1) Indicate the municipality's acknowledgment of the  
18 value of and the absence of any public cost for volunteer  
19 fire protection and ambulance and rescue services provided by  
20 active volunteers.

21 (2) To encourage other individuals to newly volunteer or  
22 for former volunteers to consider rejoining as active  
23 volunteers in a volunteer fire company, ambulance service or  
24 rescue company.

25 Section 103. Definitions.

26 The following words and phrases when used in this act shall  
27 have the meanings given to them in this section unless the  
28 context clearly indicates otherwise:

29 "Active volunteer." A volunteer for a volunteer fire  
30 company, volunteer ambulance service or volunteer rescue company

1 who has complied with the requirements of the volunteer service  
2 credit program and who is certified under section 503.

3 "Commissioner." The State Fire Commissioner of the  
4 Commonwealth.

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

6 "Earned income tax." A tax on earned income and net profits  
7 levied under chapter 3 of the act of December 31, 1965 (P.L.  
8 1257, No.511), known as The Local Tax Enabling Act.

9 "Governing body." A city council, borough council,  
10 incorporated town council, board of township commissioners,  
11 board of township supervisors, governing council of a home rule  
12 municipality or optional plan municipality or a governing  
13 council of any similar purpose government which may be created  
14 by statute after the effective date of this section.

15 "Local Tax Enabling Act." The act of December 31, 1965 (P.L.  
16 1257, No.511), known as The Local Tax Enabling Act.

17 "Municipality." A city, borough, incorporated town or  
18 township located in this Commonwealth.

19 "Tax credit." The tax credit granted under section 301 or  
20 302.1.

21 "Volunteer." A member of a volunteer fire company, volunteer  
22 ambulance service or volunteer rescue company.

23 "Volunteer ambulance service." Any nonprofit chartered  
24 corporation, association or organization located in this  
25 Commonwealth, which is licensed by the Department of Health and  
26 is not associated or affiliated with any hospital and which is  
27 regularly engaged in the provision of emergency medical  
28 services, including basic life support or advanced life support  
29 services and advanced life support squads as defined in 28 Pa.  
30 Code § 1005.1 (relating to general provisions). The term shall

1 not include any corporation, association or organization that is  
2 primarily engaged in the operation of invalid coaches which are  
3 intended for the routine transport of persons who are  
4 convalescent or otherwise nonambulatory and do not ordinarily  
5 require emergency medical treatment while in transit.

6 "Volunteer fire company." A nonprofit chartered corporation,  
7 association or organization located in this Commonwealth that  
8 provides fire protection services and may offer other voluntary  
9 emergency services within this Commonwealth.

10 "Volunteer rescue company." A nonprofit chartered  
11 corporation, association or organization located in this  
12 Commonwealth that provides rescue services as part of the  
13 response to fires and/or vehicle accidents within this  
14 Commonwealth.

15 "Volunteer service credit program." The program established  
16 under section 501 to determine the active status of a volunteer.

### 17 CHAPTER 3

#### 18 MUNICIPAL TAX CREDIT

19 Section 301. Program authorization.

20 (a) Establishment.--A municipality that levies an earned  
21 income tax may establish by ordinance a tax credit against an  
22 individual's liability imposed under chapter 3 of the Local Tax  
23 Enabling Act for active service as a volunteer.

24 (b) Amount.--A municipality must set forth in the ordinance  
25 the amount of the tax credit. If the total earned income tax  
26 liability is less than the amount established by the  
27 municipality, the tax credit shall equal the remaining tax  
28 liability.

29 (c) Public notice.--At least 30 days prior to adoption of  
30 the ordinance, the governing body of a municipality shall give

public notice of its intent to adopt an ordinance to establish a tax credit and conduct at least one public hearing on the issue.

(d) Specific notice.--A municipality that establishes a tax credit under subsection (a) shall notify the commissioner in the manner and pursuant to any schedule prescribed by the commissioner.

Section 302. Claim.

(a) Eligibility.--An individual who satisfies all of the following criteria may claim a tax credit established under section 301:

(1) The individual is subject to an earned income tax imposed by a municipality that has established a tax credit under section 301.

(2) The individual is certified under section 503.

(b) Return.--A husband or wife may claim any tax credit provided for under this act when filing a joint return. The tax return form shall provide a mechanism for separating the liability of an individual for any earned income tax imposed by the school district of residence from the liability of an individual for any earned income tax imposed by the municipality so that the tax credit may be applied against the individual's liability for taxes imposed by the municipality.

Section 302.1. Real property tax credit.

The governing body of a school district may provide, by ordinance, for a tax credit against real property taxes to be granted to active volunteer firefighters. The tax credit shall apply to taxes levied on residential real property owned and occupied by an active volunteer firefighter who is certified under section 503. The amount of the tax credit shall be equivalent to no more than 20% of the tax liability of the

1 active volunteer firefighter.

2 Section 303. Limitations.

3 A tax credit established under this act may be used against  
4 only the individual's earned income tax or property tax  
5 liability for the current taxable year.

6 CHAPTER 5

7 VOLUNTEER SERVICE CREDIT

8 Section 501. Volunteer service credit program.

9 (a) Establishment.--Within 90 days of the effective date of  
10 this section, the commissioner shall establish a volunteer  
11 service credit program that establishes the annual requirements  
12 for the designation of a volunteer in active service at a  
13 volunteer fire company, volunteer ambulance service or volunteer  
14 rescue company.

15 (b) Activities.--The volunteer service credit system shall  
16 consider the following activities in determining credit toward a  
17 designation of active service:

18 (1) The number of emergency calls to which a volunteer  
19 responds.

20 (2) The level of training and participation in formal  
21 training and drills for a volunteer.

22 (3) The total amount of time expended by a volunteer on  
23 administrative and other support services, including  
24 fundraising and facility or equipment maintenance.

25 (4) The involvement in other events or projects that aid  
26 the financial viability, emergency response or operational  
27 readiness of a volunteer fire company, volunteer ambulance  
28 service or volunteer rescue company.

29 (c) Guidelines.--The commissioner shall adopt guidelines,  
30 including forms, necessary to implement this section.

1 Section 502. Service record.

2 (a) Log.--The chief of a volunteer fire company, the  
3 supervisor or chief of a volunteer ambulance service or  
4 volunteer rescue company or their designees shall establish and  
5 maintain a service log that documents the activities of each  
6 volunteer that qualifies for credit toward active service under  
7 the volunteer service credit system and the calculation of the  
8 total credits earned for each volunteer in the volunteer fire  
9 company, volunteer ambulance service or volunteer rescue  
10 company.

11 (b) Review.--Service logs established and maintained by  
12 volunteer fire companies, volunteer ambulance services or  
13 volunteer rescue companies shall be subject to periodic review  
14 by the Auditor General, the department, the governing body of  
15 the municipality where the volunteer fire company, volunteer  
16 ambulance service or volunteer rescue company is located and the  
17 governing body of a municipality where the volunteer fire  
18 company, volunteer ambulance service or volunteer rescue company  
19 provides services.

20 Section 503. Certification.

21 (a) Self-certification.--The active volunteer shall sign and  
22 submit the application to the chief of the volunteer fire  
23 company or the supervisor or chief of the volunteer ambulance  
24 service or volunteer rescue company where the volunteer serves.

25 (b) Local sign-off.--The chief and another officer of the  
26 volunteer fire company, the supervisor or chief and another  
27 officer of the volunteer ambulance service or volunteer rescue  
28 company shall sign the application attesting to the individual's  
29 status as an active volunteer. The application shall then be  
30 forwarded to the municipality for final review and processing.

1 CHAPTER 30

2 MISCELLANEOUS PROVISIONS

3 Section 3001. Penalties for false reporting.

4 The following shall apply:

5 (1) Any person who knowingly makes or conspires to make  
6 a false service record report under this act to the  
7 commissioner commits a misdemeanor of the first degree  
8 punishable by a fine of \$2,500.

9 (2) Any person who knowingly provides or conspires to  
10 provide false information that is used to compile a service  
11 record report under this act commits a misdemeanor of the  
12 first degree punishable by a fine of \$2,500.

13 Section 3002. Effective date.

14 This act shall take effect in 60 days.