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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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SENATE BILL

No. 1342 Session of  
2014

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INTRODUCED BY BAKER, WILEY, VULAKOVICH, KITCHEN, WASHINGTON,  
YAW, TEPLITZ, ARGALL, FONTANA, SOLOBAY, RAFFERTY, ERICKSON,  
SCHWANK, HUTCHINSON, VOGEL, KASUNIC, ALLOWAY, WHITE, SMITH,  
BLAKE, COSTA, LEACH, YUDICHAK, GREENLEAF, DINNIMAN, VANCE,  
HUGHES, BRUBAKER, STACK, BREWSTER, WOZNIAK, BROWNE AND  
SCARNATI, APRIL 28, 2014

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REFERRED TO VETERANS AFFAIRS AND EMERGENCY PREPAREDNESS,  
APRIL 28, 2014

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AN ACT

1 Amending Title 35 (Health and Safety) of the Pennsylvania  
2 Consolidated Statutes, providing for incentives for municipal  
3 volunteers of fire companies and nonprofit emergency medical  
4 services agencies.

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

7 Section 1. Title 35 of the Pennsylvania Consolidated  
8 Statutes is amended by adding a chapter to read:

9 CHAPTER 79

10 INCENTIVES FOR MUNICIPAL VOLUNTEERS OF FIRE COMPANIES AND  
11 NONPROFIT EMERGENCY MEDICAL SERVICES AGENCIES

12 Subchapter

13 A. Preliminary Provisions

14 B. Tax Credits

15 C. Volunteer Service Credit

16 D. Miscellaneous Provisions

1 SUBCHAPTER A

2 PRELIMINARY PROVISIONS

3 Sec.

4 7901. Scope of chapter.

5 7902. Purpose.

6 7903. Definitions.

7 § 7901. Scope of chapter.

8 This chapter relates to incentives for municipal volunteers  
9 of fire companies and nonprofit emergency medical services  
10 agencies.

11 § 7902. Purpose.

12 The purpose of this chapter is to authorize municipalities to  
13 enact a tax credit against an active volunteer's earned income  
14 as a financial incentive to:

15 (1) Acknowledge the value of and the absence of any  
16 public cost for volunteer fire protection and emergency  
17 medical services provided by active volunteers.

18 (2) Encourage individuals to volunteer or for former  
19 volunteers to consider rejoining as active volunteers in a  
20 volunteer fire company or nonprofit emergency medical  
21 services agency.

22 § 7903. Definitions.

23 The following words and phrases when used in this chapter  
24 shall have the meanings given to them in this section unless the  
25 context clearly indicates otherwise:

26 "Active volunteer." A volunteer for a volunteer fire company  
27 or nonprofit emergency medical services agency who has complied  
28 with the requirements of the volunteer service credit program  
29 and who is certified under section 7923 (relating to  
30 certification).

1 "Commissioner." The State Fire Commissioner of the  
2 Commonwealth.

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

6 "Governing body." A county council, county board of  
7 commissioners, city council, borough council, incorporated town  
8 council, board of township commissioners, board of township  
9 supervisors, governing council of a home rule municipality or  
10 optional plan municipality or a governing council of any similar  
11 purpose government which may be created by statute after the  
12 effective date of this section and which has adopted a tax  
13 credit under this chapter.

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

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

18 "Nonprofit emergency medical services agency." As defined in  
19 section 8103 (relating to definitions) and chartered as a  
20 nonprofit corporation.

21 "Tax credit." The tax credit granted under section 7911  
22 (relating to program authorization).

23 "Volunteer." A member of a volunteer fire company or a  
24 nonprofit emergency medical services agency.

25 "Volunteer fire company." A nonprofit chartered corporation,  
26 association or organization located in this Commonwealth that  
27 provides fire protection services and may offer other voluntary  
28 emergency services within this Commonwealth.

29 "Volunteer service credit program." The program established  
30 under section 7921 (relating to volunteer service credit

1 program) to determine the active status of a volunteer.

2 SUBCHAPTER B

3 TAX CREDITS

4 Sec.

5 7911. Program authorization.

6 7912. Claim.

7 7913. Limitations.

8 § 7911. Program authorization.

9 (a) Establishment.--A municipality that levies an earned  
10 income tax may establish by ordinance a tax credit against an  
11 individual's liability imposed under Chapter 3 of The Local Tax  
12 Enabling Act for active service as a volunteer.

13 (b) Amount.--A municipality shall set forth in the ordinance  
14 the amount of the tax credit. If the total earned income tax  
15 liability is less than the amount established, the tax credit  
16 shall equal the tax liability.

17 (c) Public notice.--At least 30 days prior to adoption of  
18 the ordinance or resolution, the governing body shall give  
19 public notice of its intent to adopt an ordinance or resolution  
20 to establish a tax credit and conduct at least one public  
21 hearing on the issue.

22 (d) Specific notice.--A municipality that establishes a tax  
23 credit under this chapter shall notify the commissioner in the  
24 manner prescribed by the commissioner.

25 § 7912. Claim.

26 (a) Eligibility.--An individual who satisfies all of the  
27 following criteria may claim a tax credit established under  
28 section 7911 (relating to program authorization):

29 (1) The individual is subject to an earned income tax of  
30 a municipality that has established a tax credit under

1 section 7911.

2 (2) The individual is certified under section 7923  
3 (relating to certification).

4 (b) Return.--An active volunteer may claim a tax credit  
5 provided for under this subchapter when filing a joint return.  
6 The tax return form shall provide a mechanism for separating the  
7 liability of an individual for any earned income tax imposed by  
8 the school district of residence from the liability of an  
9 individual for any earned income tax imposed by the  
10 municipality.

11 § 7913. Limitations.

12 A tax credit established under this subchapter may be used  
13 against the active volunteer's earned income tax for the current  
14 taxable year and every year thereafter. The tax credit  
15 established under this subchapter shall remain in effect until  
16 the governing body of the municipality repeals the tax credit.

17 SUBCHAPTER C

18 VOLUNTEER SERVICE CREDIT

19 Sec.

20 7921. Volunteer service credit program.

21 7922. Service record.

22 7923. Certification.

23 7924. Rejection and appeal.

24 § 7921. Volunteer service credit program.

25 (a) Establishment.--The governing body may establish a  
26 volunteer service credit program that establishes the annual  
27 requirements for the certification of a volunteer in active  
28 service at a volunteer fire company or a nonprofit emergency  
29 medical services agency.

30 (b) Activities.--The volunteer service credit program shall

1 consider the following activities in determining credit toward a  
2 certification of active service:

3 (1) The number of emergency calls to which a volunteer  
4 responds.

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

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

10 (4) The involvement in other events or projects that aid  
11 the financial viability, emergency response or operational  
12 readiness of a volunteer fire company or an emergency medical  
13 services agency.

14 (c) Guidelines.--The governing body and the chief of a  
15 volunteer fire company and the supervisor or chief of an  
16 emergency medical services agency or their designees shall adopt  
17 guidelines, including forms and applications, necessary to  
18 implement this section.

19 (d) Eligibility List.--A notarized list of eligible active  
20 volunteers shall be submitted to the governing body, no later  
21 than 45 days before tax notices are to be distributed, by the  
22 following:

23 (1) The chief of a volunteer fire company, where  
24 applicable.

25 (2) The supervisor or chief of a nonprofit emergency  
26 medical services agency, where applicable.

27 § 7922. Service record.

28 (a) Log.--The chief of a volunteer fire company or the  
29 supervisor or chief of a nonprofit emergency medical services  
30 agency or their designees shall establish and maintain a service

1 log that documents the activities of each volunteer that qualify  
2 for credit toward active service under the volunteer service  
3 credit program and the calculation of the total credits earned  
4 for each volunteer in the volunteer fire company or nonprofit  
5 emergency medical services agency.

6 (b) Review.--Service logs established and maintained by  
7 volunteer fire companies or nonprofit emergency medical services  
8 agencies shall be subject to periodic review by the  
9 commissioner, the Auditor General, the governing body where the  
10 volunteer fire company or emergency medical services agency is  
11 located and the governing body where the volunteer fire company  
12 or nonprofit emergency medical services agency provides  
13 services.

14 § 7923. Certification.

15 (a) Self-certification.--The active volunteer shall sign and  
16 submit an application to the chief of the volunteer fire company  
17 or the supervisor or chief of the nonprofit emergency medical  
18 services agency where the volunteer serves.

19 (b) Local sign-off.--The chief and another officer of the  
20 volunteer fire company, the supervisor or chief and another  
21 officer of the nonprofit emergency medical services agency shall  
22 sign the application attesting to the individual's status as an  
23 active volunteer. The application shall then be forwarded to the  
24 municipality, as appropriate, for final review and processing.

25 § 7924. Rejection and appeal.

26 (a) General rule.--A governing body that establishes a tax  
27 credit under this chapter shall adopt, by ordinance, a process  
28 for rejecting a claim by an active volunteer who does not  
29 satisfy all of the criteria established under this chapter for  
30 each type of tax credit provided under this chapter.

1 (b) Appeal.--An active volunteer shall have the right to  
2 appeal a claim that has been rejected by a governing body. The  
3 governing body shall establish, by ordinance, the procedure by  
4 which a rejected claim can be appealed.

5 SUBCHAPTER D

6 MISCELLANEOUS PROVISIONS

7 Sec.

8 7931. Penalties for false reporting.

9 § 7931. Penalties for false reporting.

10 The following shall apply:

11 (1) Any person who knowingly makes or conspires to make  
12 a false service record report under this chapter commits a  
13 misdemeanor of the first degree punishable by a fine of  
14 \$2,500.

15 (2) Any person who knowingly provides or conspires to  
16 provide false information that is used to compile a service  
17 record report under this chapter commits a misdemeanor of the  
18 first degree punishable by a fine of \$2,500.

19 Section 2. This act shall take effect in 60 days.