

**HEALTH AND SAFETY (35 PA.C.S.) - INCENTIVES FOR MUNICIPAL
VOLUNTEERS OF FIRE COMPANIES AND NONPROFIT EMERGENCY MEDICAL
SERVICES AGENCIES**

Act of Nov. 21, 2016, P.L. 1509, No. 172

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Session of 2016
No. 2016-172

HB 1683

AN ACT

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

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

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

**CHAPTER 79A
INCENTIVES FOR MUNICIPAL VOLUNTEERS OF FIRE COMPANIES AND
NONPROFIT EMERGENCY MEDICAL SERVICES AGENCIES**

Subchapter

- A. Preliminary Provisions**
- B. Tax Credits**
- C. Volunteer Service Credit**
- D. Miscellaneous Provisions**

**SUBCHAPTER A
PRELIMINARY PROVISIONS**

Sec.

79A01. Scope of chapter.

79A02. Purpose.

79A03. Definitions.

§ 79A01. Scope of chapter.

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

§ 79A02. Purpose.

The purpose of this chapter is to authorize municipalities to enact a tax credit against an active volunteer's tax liability as a financial incentive to:

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

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

§ 79A03. Definitions.

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

"Active volunteer." A volunteer for a volunteer fire company or nonprofit emergency medical services agency who has complied

with the requirements of the volunteer service credit program and who is certified under section 79A23 (relating to certification).

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

"Earned income tax." A tax on earned income and net profits levied under Chapter 3 of the Local Tax Enabling Act.

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

"Individual." A volunteer.

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

"Municipality." Any city, borough, incorporated town, township, home rule municipality, optional plan municipality, optional charter municipality or any similar general purpose unit of government which may be created or authorized by statute.

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

"Tax credit." The tax credit granted under section 79A11 (relating to program authorization) or 79A13 (relating to real property tax credit).

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

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

"Volunteer service credit program." The program established under section 79A21 (relating to volunteer service credit program) to determine the active status of a volunteer.

SUBCHAPTER B TAX CREDITS

Sec.

79A11. Program authorization.

79A12. Claim.

79A13. Real property tax credit.

79A14. Limitations.

§ 79A11. Program authorization.

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

(b) Amount.--A municipality shall set forth in the ordinance the total amount of the tax credit that will be offered to an individual. If an individual's earned income tax liability is less than the amount of the tax credit offered, the individual's tax credit must equal the individual's tax liability.

(c) Public notice.--At least 30 days prior to adoption of the ordinance or resolution, the governing body shall give public notice of its intent to adopt an ordinance or resolution 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 this chapter shall notify the commissioner in the manner prescribed by the commissioner.

§ 79A12. Claim.

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

(1) The individual is subject to a tax of a municipality that has established a tax credit under this chapter.

(2) The individual is certified under section 79A23 (relating to certification).

(b) Return.--An active volunteer may claim a tax credit provided for under this chapter 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.

§ 79A13. Real property tax credit.

The governing body of a municipality may provide, by ordinance, for a tax credit against real property tax to be granted to an active volunteer. The tax credit shall apply to tax levied on residential real property owned and occupied by an active volunteer who is certified under section 79A23 (relating to certification). The amount of the tax credit authorized by an ordinance shall not exceed 20% of the tax liability of the active volunteer.

§ 79A14. Limitations.

A tax credit established under this chapter may be used against the active volunteer's tax liability for the current taxable year and every year thereafter. The tax credit established under this chapter shall remain in effect until the governing body of the municipality repeals the tax credit.

SUBCHAPTER C

VOLUNTEER SERVICE CREDIT

Sec.

79A21. Volunteer service credit program.

79A22. Service record.

79A23. Certification.

79A24. Rejection and appeal.

§ 79A21. Volunteer service credit program.

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

(b) Activities.--The volunteer service credit program shall consider the following activities in determining credit toward a certification of active service:

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

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

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

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

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

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

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

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

§ 79A22. Service record.

(a) Log.--The chief of a volunteer fire company or the supervisor or chief of a nonprofit emergency medical services agency or their designees shall establish and maintain a service log that documents the activities of each volunteer that qualify for credit toward active service under the volunteer service credit program and the calculation of the total credits earned for each volunteer in the volunteer fire company or nonprofit emergency medical services agency.

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

§ 79A23. Certification.

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

(b) Injured volunteer.--An active volunteer who was injured during a response to an emergency call and can no longer serve as an active volunteer because of the injury and who would otherwise be eligible for a tax credit shall be eligible for the tax credit for the succeeding five tax years.

(c) Local sign-off.--The chief and another officer of the volunteer fire company and the supervisor or chief and another officer of the nonprofit emergency medical services agency shall sign the application attesting to the individual's status as an active volunteer or that the individual can no longer serve as an active volunteer due to injury. The application shall then be forwarded to the municipality, as appropriate, for final review and processing.

§ 79A24. Rejection and appeal.

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

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

Sec.

79A31. Penalties for false reporting.

§ 79A31. Penalties for false reporting.

The following shall apply:

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

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

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

APPROVED--The 21st day of November, A.D. 2016.

TOM WOLF