



Senate Veterans Affairs & Emergency Preparedness Committee

Senator Bob Mensch

Chairman

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Summary of Senate Bill 1342, P.N. 1975

Prime Sponsor: Baker

A. Synopsis

Amends Title 35 by giving municipalities the option to enact a tax credit against an active volunteer's earned income.

B. Bill Summary

Senate Bill 1342 provides incentives for municipal volunteers of fire companies and emergency medical services agencies. It does so by authorizing municipalities to enact a tax credit against an active volunteer's earned income for the purpose of acknowledging the value of these services and to encourage former volunteers to re-enlist or encourage individuals to join as active volunteers. Active volunteers include a volunteer for a volunteer fire company or emergency medical services agency who has complied with the requirements and certified as set forth in section 7923.

Return - A husband or wife may claim any tax credit provided for under this act when filing a joint return.

Volunteer Service Credit

The governing body of the municipal volunteers of fire companies and emergency medical services agencies shall establish a volunteer service credit program that establishes the annual requirements for the designation of a volunteer in active service at a volunteer fire company or emergency medical services agency.

Tax Credit

A municipality that levies an earned income tax may establish by ordinance a tax credit for active service as a volunteer. The ordinance must set forth the amount of the tax credit, and at

least 30 days prior to adoption of the ordinance the governing body must give the public notice of its intent and conduct at least one public hearing on the issue.

C. Current Law

Under the respective local government codes, municipalities have limited tax credit authority. This legislation will allow municipalities to choose to enact tax credits for active volunteers.