
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 148 Session of
2023

INTRODUCED BY BROOKS, PHILLIPS-HILL, SCHWANK, BARTOLOTTA,
COLLETT, DUSH, DILLON, STEFANO, KANE, LANGERHOLC, BROWN,
TARTAGLIONE, J. WARD, SANTARSIERO, COSTA AND HUTCHINSON,
JANUARY 19, 2023

REFERRED TO FINANCE, JANUARY 19, 2023

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," providing for volunteer firefighter tax credit.

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

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

16 ARTICLE XVIII-I

17 VOLUNTEER FIREFIGHTER TAX CREDIT

18 Section 1801-I. Definitions.

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

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

2 "Qualified tax liability." The liability for taxes imposed
3 under Article III for the taxable year beginning after December
4 31, 2023, and each taxable year thereafter.

5 "Tax credit." The tax credit available to volunteer
6 firefighters under this article.

7 "Taxpayer." An individual subject to payment of taxes under
8 Article III.

9 Section 1802-I. Application.

10 (a) Application to department.--A taxpayer may claim a tax
11 credit against the qualified tax liability of the taxpayer by
12 submitting an application for the tax credit in a manner
13 required by the department. The application shall contain the
14 following information:

15 (1) The name and tax identification number of the
16 taxpayer.

17 (2) Documentation that the taxpayer meets the
18 eligibility criteria specified in section 1803-I.

19 (3) Any other information deemed appropriate by the
20 department.

21 (b) Procedure.--The application shall be attached to the
22 applicant's annual tax return required to be filed under Article
23 III.

24 Section 1803-I. Taxpayer eligibility.

25 (a) Credit.--A taxpayer who is an active volunteer
26 firefighter and meets all of the following criteria shall be
27 eligible for a tax credit:

28 (1) Is a resident of this Commonwealth.

29 (2) Has at least two full years of service as a
30 volunteer firefighter by December 31 of the taxable year and

1 has responded to at least 20% of the volunteer fire company's
2 emergency calls during that two-year period.

3 (3) Is an active member of a volunteer fire company on
4 the date the taxpayer files the tax return.

5 (b) Maximum credit.--A taxpayer who qualifies under
6 subsection (a) may claim a tax credit of \$500.

7 Section 1804-I. Carryover and carryback prohibited.

8 A taxpayer may not carry over, carry back, obtain a refund
9 of, sell or assign an unused tax credit.

10 Section 1805-I. Self certification.

11 The making or filing by a taxpayer of any return,
12 declaration, statement or other document required to be made or
13 filed under this article shall constitute a certification by the
14 taxpayer that the statements, including the taxpayer's residency
15 status and years of service as an active volunteer firefighter,
16 contained in the return, declaration, statement or other
17 document are true and that any copy filed is a true copy.

18 Section 1806-I. Guidelines.

19 (a) General rule.--The department shall adopt guidelines,
20 including forms, necessary to administer this article.

21 (b) Joint income.--A tax credit granted under this article
22 may be applied to the tax liability of the spouse of an eligible
23 taxpayer if both the eligible taxpayer and the spouse report
24 income on a joint income tax return.

25 Section 1807-I. Report to General Assembly.

26 No later than December 31, 2024, and each December 31
27 thereafter, the department shall submit a report on the tax
28 credits granted under this article. The report shall include the
29 number of active volunteer firefighters who utilized the tax
30 credit as of the date of the report and the amount of credits

1 approved. The report may include recommendations for changes in
2 the calculation or administration of the tax credit. The report
3 shall be submitted to the chairperson and minority chairperson
4 of the Appropriations Committee of the Senate, the chairperson
5 and minority chairperson of the Appropriations Committee of the
6 House of Representatives, the chairperson and minority
7 chairperson of the Veterans Affairs and Emergency Preparedness
8 Committee of the Senate and the chairperson and minority
9 chairperson of the Veterans Affairs and Emergency Preparedness
10 Committee of the House of Representatives. The report may
11 include other information that the department deems appropriate.

12 Section 1808-I. Penalty.

13 A taxpayer who claims a credit under this article but fails
14 to meet the criteria under this article, shall repay the full
15 amount of the tax credit to the Commonwealth, plus interest as
16 prescribed under section 351.

17 Section 2. This act shall take effect immediately.