

WEST VIRGINIA LEGISLATURE

2021 REGULAR SESSION

Introduced

House Bill 3165

**FISCAL
NOTE**

BY DELEGATES YOUNG, THOMPSON, DISERIO, AND

BOGGS

[Introduced March 15, 2021; Referred to the
Committee on Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new article,
 2 designated §11-13KK-1, §11-13KK-2, §11-13KK-3, §11-13KK-4, §11-13KK-5, §11-13KK-
 3 6, and, §11-13KK-7, all relating generally to creating a personal income tax credit for
 4 volunteer firefighters in West Virginia; providing for definitions; providing for a tax credit
 5 for a volunteer firefighter for personal income tax in a taxable year; providing for a tax
 6 credit limitation of \$5,000 for a single person; providing for a tax credit limitation of \$10,000
 7 of persons filing tax returns jointly under certain conditions; providing that the tax credit for
 8 volunteer firefighters must be used in the taxable year and cannot be carried forward;
 9 providing for documentation of eligibility for the tax credit; providing for required contents
 10 of the documentation evidencing eligibility for the tax credit; providing that the form must
 11 be sent to the Tax Commissioner to receive the tax credit; providing for rule-making
 12 authority; providing for reporting at certain time; and providing for an effective date.

Be it enacted by the Legislature of West Virginia:

ARTICLE 13KK. WEST VIRGINIA VOLUNTEER FIREFIGHTER TAX CREDIT ACT.

§11-13KK-1. Findings and Purpose.

1 The Legislature finds that it is an important public policy to encourage participation in
 2 volunteer fire fighting and emergency response by providing tax credits for those who volunteer
 3 their time as a vital service to their community.

§11-13KK-2. Definitions.

1 As used in this article:

2 “Active Member” means an individual that performs the function of fire prevention and
 3 suppression, or vehicle and machinery extrications, hazardous materials response and mitigation,
 4 technical rescue, emergency medical services, and any other duties that a specialized support
 5 member may provide when responding to emergency situations;

6 “Chief” means the highest-ranking fire line officer in charge of a volunteer fire department;

7 “Commission” means the West Virginia State Fire Commission;

8 “Volunteer Fire Department” means a volunteer fire department in this state, certified and
9 regulated by the commission, and lawfully formed under §8-15-1 et seq. of this code;

10 “Volunteer Firefighter” means a West Virginia taxpayer who is an active member of a
11 volunteer fire department.

§11-13KK-3. Amount of credit; limitation of credit.

1 (a) There is allowed to eligible volunteer firefighters in this state a credit against taxes
2 imposed by §11-21-1 et seq. of this code in the amount set forth in subsection (b) of this section.

3 (b) The amount of the credit is \$5,000 during a taxable year or the total amount of tax
4 imposed by §11-21-1 et seq. of this code in the year of active membership. If both taxpayers filing
5 a joint tax return are eligible for the credit authorized by this article, the amount of the credit is
6 \$10,000, or \$5,000 for each eligible taxpayer, during a taxable year or the total amount of tax
7 imposed by §11-21-1 et seq. of this code in the year of active membership.

8 (c) If the amount of the credit authorized by this article is unused in any tax year, it may
9 not be applied to any other tax year.

§11-13KK-4. Qualification for credit.

1 (a) The volunteer firefighter shall obtain certification from the chief of the volunteer fire
2 department to demonstrate the following:

3 (1) The volunteer firefighter has been an active member in good standing of the volunteer
4 fire department for the entire year; or

5 (2) Has been an active member in good standing of the volunteer fire department and
6 another volunteer fire department of this state for the entire year.

7 (b) The certification from the chief of the volunteer firefighter department shall
8 demonstrate, at a minimum:

9 (1) The rank or position of the volunteer firefighter;

10 (2) The years of service for the volunteer firefighter;

11 (3) The number of emergency situations the volunteer firefighter responded in the year of

12 active membership; and

13 (4) The number of meetings or training attended by the volunteer firefighter in the year of
14 active membership.

15 (c) To claim the tax credit, a volunteer firefighter shall send the certification form from the
16 volunteer fire department to the commission.

§11-13KK-5. Legislative rules.

1 (a) The Tax Commissioner may propose rules for legislative approval in accordance with
2 the provision of §29A-3-1 et seq. of this code as may be necessary to carry out the purposes of
3 this article.

4 (b) The commission may propose rules for legislative approval in accordance with the
5 §29A-3-1 et seq. of this code as may be necessary to carry out the purposes of this article.

§11-13KK-6. Tax credit review report.

1 Beginning on the first day of the second taxable year after the passage of this article and
2 every two years thereafter, the commission shall submit to the Governor, the President of the
3 Senate, and the Speaker of the House of Delegates a tax credit review and accountability report
4 evaluating the cost effectiveness of the tax credit and donations during the most recent two-year
5 period for which information is available.

§11-13KK-7. Effective date.

1 The credit allowed by this article shall be allowed for volunteer firefighters after December
2 31, 2021.

NOTE: The purpose of this bill is to provide for a \$5,000 tax credit for service by volunteer firefighters to West Virginia personal income tax liabilities.

Strike-throughs indicate language that would be stricken from a heading or the present law, and underscoring indicates new language that would be added.