

1 HB345
2 181718-2
3 By Representatives Whorton (R), Ledbetter, Hanes and Lovvorn
4 RFD: Ways and Means Education
5 First Read: 01-FEB-18

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8 SYNOPSIS: Under existing law, the state levies an
9 income tax upon every resident of the state and
10 upon every nonresident who receives income from an
11 Alabama source. A taxpayer is allowed certain
12 standard deductions, personal exemptions, and tax
13 credits in computing his or her income subject to
14 the tax.

15 This bill would provide an income tax credit
16 to a volunteer firefighter who is on the active
17 roster of a state certified volunteer fire
18 department or a combination fire department in the
19 state and who obtains a minimum number of annual
20 training hours under certain conditions.

21 This bill would impose record keeping
22 requirements on a volunteer firefighter who
23 qualifies for the income tax credit and would
24 provide the Department of Revenue with rule-making
25 authority to implement this bill.

1 This bill would provide penalties for
2 knowingly falsifying training hours in order to
3 receive the income tax credit.

4 Amendment 621 of the Constitution of Alabama
5 of 1901, now appearing as Section 111.05 of the
6 Official Recompilation of the Constitution of
7 Alabama of 1901, as amended, prohibits a general
8 law whose purpose or effect would be to require a
9 new or increased expenditure of local funds from
10 becoming effective with regard to a local
11 governmental entity without enactment by a 2/3 vote
12 unless: it comes within one of a number of
13 specified exceptions; it is approved by the
14 affected entity; or the Legislature appropriates
15 funds, or provides a local source of revenue, to
16 the entity for the purpose.

17 The purpose or effect of this bill would be
18 to require a new or increased expenditure of local
19 funds within the meaning of the amendment. However,
20 the bill does not require approval of a local
21 governmental entity or enactment by a 2/3 vote to
22 become effective because it comes within one of the
23 specified exceptions contained in the amendment.

24
25 A BILL
26 TO BE ENTITLED
27 AN ACT

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2 Relating to income tax; to provide an income tax
3 credit to volunteer firefighters who obtain a minimum number
4 of annual training hours under certain conditions; to provide
5 record-keeping requirements; to authorize the Department of
6 Revenue to adopt rules; to provide penalties; and in
7 connection therewith to have as its purpose or effect the
8 requirement of a new or increased expenditure of local funds
9 within the meaning of Amendment 621 of the Constitution of
10 Alabama of 1901, now appearing as Section 111.05 of the
11 Official Recompilation of the Constitution of Alabama of 1901,
12 as amended.

13 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

14 Section 1. For the purposes of this act, the
15 following terms shall have the following meanings:

16 (1) COMBINATION FIRE DEPARTMENT. A fire department
17 that has on its active roster both volunteer firefighters and
18 paid firefighters.

19 (2) DEPARTMENT OF REVENUE. The Alabama Department of
20 Revenue.

21 (3) TAXPAYER. As defined by Section 40-18-1 of the
22 Code of Alabama 1975.

23 (4) TRAINING HOURS. Credit hours obtained by a
24 volunteer firefighter by doing either or both of the
25 following:

26 a. Participating in and receiving organized training
27 through a class approved for use in the fire service and

1 emergency medical services training to be used in providing
2 services as a volunteer firefighter.

3 b. Instructing an organized training class approved
4 for use in the fire service and emergency medical services
5 training to be used in providing services as a volunteer
6 firefighter.

7 (5) VOLUNTEER FIREFIGHTER. Any person who is any of
8 the following:

9 a. A firefighter on the active roster of a certified
10 volunteer fire department as provided by Section 9-3-17 of the
11 Code of Alabama 1975.

12 b. An unpaid firefighter on the active roster of a
13 combination fire department covered by Section 9-13-17 of the
14 Code of Alabama 1975.

15 c. An unpaid firefighter on the active roster of a
16 combination fire department not covered by Section 9-3-17 of
17 the Code of Alabama 1975, but the combination fire department
18 is recognized by Insurance Services Office, Inc.

19 Section 2. (a) A volunteer firefighter who obtains a
20 minimum of 30 training hours in one calendar year and who is a
21 taxpayer may claim a credit against the tax imposed on him or
22 her by Section 40-18-2 of the Code of Alabama 1975, for the
23 same year he or she obtained the required number of minimum
24 training hours as provided by this subsection.

25 (b) The income tax credit provided by this section
26 shall be in the following amounts:

1 (1) A volunteer firefighter shall be allowed a
2 credit of two hundred dollars (\$200) per year.

3 (2) A certified volunteer firefighter shall be
4 allowed a credit of four hundred dollars (\$400) per year.

5 (3) A volunteer firefighter I or II shall be allowed
6 a credit of six hundred dollars (\$600) per year.

7 (c) (1) A taxpayer who qualifies for the income tax
8 credit provided by this section shall be required to keep in
9 his or her possession a certified copy of the training hours
10 that qualify him or her for the income tax credit provided by
11 this section.

12 (2) Upon the request of the Department of Revenue, a
13 taxpayer shall provide to the Department of Revenue a
14 certified copy of the training hours that qualify him or her
15 for the income tax credit provided by this section.

16 (3) The Department of Revenue may adopt rules to
17 implement this act.

18 (d) Any taxpayer who knowingly falsifies his or her
19 training hours to qualify for the income tax credit provided
20 by this section or any person who knowingly falsifies the
21 training hours of another taxpayer so that the taxpayer can
22 qualify for the income tax credit provided by this section
23 shall be guilty of a Class A misdemeanor.

24 Section 3. Although this bill would have as its
25 purpose or effect the requirement of a new or increased
26 expenditure of local funds, the bill is excluded from further
27 requirements and application under Amendment 621, now

1 appearing as Section 111.05 of the Official ReCompilation of
2 the Constitution of Alabama of 1901, as amended, because the
3 bill defines a new crime or amends the definition of an
4 existing crime.

5 Section 4. This act shall become effective on the
6 first day of the third month following its passage and
7 approval by the Governor, or its otherwise becoming law.