

1 SB138  
2 181718-1  
3 By Senator Dial  
4 RFD: Finance and Taxation Education  
5 First Read: 09-FEB-17

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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.

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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 fifty dollars (\$250) per year.

3           (2) A certified volunteer firefighter shall be  
4 allowed a credit of five hundred dollars (\$500) per year.

5           (3) A volunteer firefighter I or II shall be allowed  
6 a credit of seven hundred fifty dollars (\$750) 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.