MINNESOTA·REVENUE

March 19, 2013

	Yes	No
DOR Administrative Costs/Savings	X	

Department of Revenue
Analysis of H.F. 759 (Savick) / S.F. 732 (Koenen)

	Fund Impact			
	F.Y. 2014	**F.Y. 2015**	**F.Y. 2016**	**F.Y. 2017**
	(000's)			
General Fund	($9,500)	($9,500)	($9,500)	($9,500)

Effective beginning with tax year 2013.

EXPLANATION OF THE BILL

The bill would provide a $500 nonrefundable income tax credit for taxpayers who are eligible volunteer ambulance attendants, eligible volunteer emergency medical providers, or eligible volunteer fire fighters. In order to be eligible the taxpayer must meet the statutory requirements for volunteer status and must have served for more than one calendar year.

REVENUE ANALYSIS DETAIL

- Based on data from the Emergency Medical Services Regulatory Board there are about 4,000 volunteer ambulance attendants in the state that are eligible for the credit.
- According to the Minnesota State Volunteer Firefighters Association there are about 19,650 volunteer firefighters in the state.
- While there are many emergency medical responders, most are either paid members of police and fire departments or are included in the number of volunteer firefighters. It is assumed that there are 100 additional emergency medical responders who would be eligible.
- It is assumed that turnover rates are such that 80% of all volunteers would have served for at least one year and so would qualify for the credit.
- It is assumed that all volunteers would be entitled to the full credit amount of $500.
- It is assumed that there would be no growth in the number of eligible volunteers, based on discussions with the Emergency Medical Services Regulatory Board.
- Tax year impacts were allocated to the following fiscal year.

Number of Taxpayers: About 19,000 taxpayers would be affected.

Source: Minnesota Department of Revenue
Tax Research Division
http://www.revenue.state.mn.us/research_stats/Pages
/Revenue-Analyses.aspx