DEPARTMENT OF REVENUE

INDIVIDUAL INCOME TAX
Volunteer First Responder Credit

March 18, 2019

	Yes	No
DOR Administrative Costs/Savings	X	

Department of Revenue
Analysis of H.F. 1993 (Huot) / S.F. 2254 (Lang)

	Fund Impact			
	F.Y. 2020	F.Y. 2021	F.Y. 2022	F.Y. 2023
		(000's)		
General Fund	($9,700)	($9,700)	($9,700)	($9,700)

Effective beginning tax year 2019.

EXPLANATION OF THE BILL

The bill would provide a $500 nonrefundable income tax credit for taxpayers who are eligible volunteer firefighters or ambulance service persons. In order to be eligible the taxpayer must meet the statutory requirements for volunteer status. In addition, volunteer firefighters must have served for at least six months out of the tax year and volunteer ambulance service persons must have served for at least a year.

REVENUE ANALYSIS DETAIL

- Based on data from the Emergency Medical Services Regulatory Board there are about 3,300 volunteer ambulance attendants in the state that are eligible for the credit.
- According to the Minnesota State Volunteer Firefighters Association there are about 19,500 volunteer firefighters in the state.
- It is assumed that 10% of all volunteers would not meet the service time requirements.
- The estimate is reduced by 5% because the credit is non-refundable.
- No growth in the number of eligible volunteers is assumed, based on discussions with the Emergency Medical Services Regulatory Board.
- Tax year impacts were allocated to the following fiscal year.

Number of Taxpayers: About 20,500 taxpayers would be affected.

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

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