

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2020 REGULAR SESSION**

MEASURE

2020 BR NUMBER 1209

HOUSE BILL NUMBER 329

TITLE AN ACT relating to a tax credit for volunteer firefighters.

SPONSOR Representative Ashley Tackett Laferty

FISCAL SUMMARY

STATE FISCAL IMPACT: YES NO UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY: ACTUARIAL ANALYSIS
 LOCAL MANDATE CORRECTIONS IMPACT HEALTH BENEFIT MANDATE

APPROPRIATION UNIT(S) IMPACTED: _____

FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED _____

FISCAL ESTIMATES	2019-2020	2020-2021	2021-2022	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES		(\$24,000,000)	(\$24,000,000)	(\$24,000,000)
EXPENDITURES				
NET EFFECT		(\$24,000,000)	(\$24,000,000)	(\$24,000,000)

() indicates a decrease/negative

PURPOSE OF MEASURE: HB 329 provides a new tax credit for active certified volunteer firefighters for taxable years beginning on or after January 1, 2020, but before January 1, 2024. The amount of tax credit awarded will be \$1,000 for each taxable year for every active certified volunteer firefighter.

The tax credit is a refundable credit. If the taxpayer's tax liability is not greater than the tax credit, the excess tax credit will be refunded to the taxpayer. The purpose of the tax credit is to increase the number of certified volunteer firefighters actively volunteering with a qualified fire department in the Commonwealth.

FISCAL EXPLANATION: The Kentucky Fire Commission has stated there are currently 23,925 active certified volunteer firefighters. Assuming 24,000 people qualify for the credit, there would be a negative impact to the General Fund of \$24 million.

DATA SOURCE(S): Kentucky Fire Commission

PREPARER: Jennifer Hays **NOTE NUMBER:** 157 **REVIEW:** JAB **DATE:** 2/26/2020