

Volunteer Responder Retention and Recruitment Tax Credit

Talking Points

- More than 85,000 qualified active volunteer ambulance, fire and rescue personnel are eligible for a tax credit of up to \$100 to be used against their state personal income tax liability through the Volunteer Responder Retention and Recruitment Tax Credit (*Act 66 of 2008*).
- Per the Act, the PA Office of Fire Commissioner and the PA Department of Health, Bureau of Medical Services, established a points system by which fire, rescue and EMS volunteers can accumulate points necessary to be eligible for the tax credit.
- Responders can accumulate points through obtaining certifications, attending training courses and organizational meetings, through response rates, sleep-in and standby times, holding elected and/or appointed positions, lifetime membership, military leave, and other related administrative and support activities as outlined on the Points System Overview document.
- Responders must earn a total of 50 points between Jan. 1, 2008, and Dec. 31, 2008, to be eligible for the state income tax credit.
- Once a responder has accumulated 50 points, he/ she must have his/her primary volunteer company's president or chief certify the points by signing the PA Schedule OC-V tax form provided by the PA Department of Revenue.
- A responder must include the PA Schedule OC-V form with his/her 2008 PA Personal Income Tax return:
 - A responder who files his/her state income tax return electronically (over the Internet or through a tax preparer), should submit the electronic version of the PA Schedule OC-V with the return. However, the responder should keep the signed copy of the schedule on file for at least three years, along with his/her Form PA-8453 (Pennsylvania Individual Income Tax Declaration for Electronic Filing).
 - A responder who files his/her state income tax return by mail, should include the PA Schedule OC-V form with his/her PA-40 Personal Income Tax return. The Revenue Department has set up a special mailing address for these returns:

PA DEPT OF REVENUE
VOLUNTEER TAX CREDIT
PO BOX 280400
HARRISBURG PA 17128-0400
- According to the Act, the amount of the tax credit must be prorated by the months of volunteer service. A chart to make this calculation easier is available on the PA Schedule OC-V tax form.
- *Notes:*
 - The program is a tax credit of up to \$100 for responders to use against their state personal income tax. You should be aware that no one will receive more money back in the form of a tax refund than he/she paid in state income tax. Responders whose state tax has already been reduced or eliminated through the state Tax

Forgiveness program (filed using a PA Schedule SP form), may not benefit from the tax credit or may receive a reduced tax credit in the current tax year.

- If the entire credit cannot be used on a volunteer's 2008 income tax return, it can be carried over for up to three years.
- The Act established a \$4.5 million cap on the tax credit program. Although the Revenue Department does not anticipate the cap will be reached, if it is, the department will have to deny tax credits claimed on any returns received after that date.
- The deadline to file state personal income tax returns for tax year 2008 is April 15, 2009.
- For more information:
 - Volunteer fire personnel with questions about the points system or obtaining the points necessary for the tax credit, should call the State Fire Commissioner at 1-800-670-3473 or visit www.osfc.state.pa.us.
 - Volunteer ambulance and rescue personnel who have questions about the points system or obtaining the points necessary for the tax credit, should call the PA Department of Health, Bureau of Medical Services, at (717) 787-8740 or visit www.health.state.pa.us/ems.
 - The PA Schedule OC-V tax form will be available in January on the PA Department of Revenue's Web site at www.revenue.state.pa.us or by calling the department's automated Forms Ordering Service at 1-800-362-2050.
 - If you have questions about applying for the tax credit, visit the PA Department of Revenue's Online Customer Service Center at www.revenue.state.pa.us or call the department at (717) 787-8201.