

LEGISLATURE OF NEBRASKA

ONE HUNDRED FIRST LEGISLATURE

FIRST SESSION

LEGISLATIVE BILL 487

Introduced by Dubas, 34.

Read first time January 20, 2009

Committee: Revenue

A BILL

1 FOR AN ACT relating to emergency responders; to amend section
2 77-2715.07, Revised Statutes Cumulative Supplement, 2008;
3 to adopt the Volunteer Emergency Responders Incentive
4 Act; to provide for an income tax credit as prescribed;
5 to provide an operative date; and to repeal the original
6 section.
7 Be it enacted by the people of the State of Nebraska,

1 Section 1. Sections 1 to 5 of this act shall be known and
2 may be cited as the Volunteer Emergency Responders Incentive Act.

3 Sec. 2. For purposes of the Volunteer Emergency
4 Responders Incentive Act:

5 (1) Active emergency responder means a person who has
6 been approved by the duly constituted authority in control of a
7 volunteer department as a volunteer member of the department, who
8 is performing services, as both a firefighter and on a rescue squad
9 in the protection of life, health, or property from fire or other
10 emergency, accident, illness, or calamity in connection with which
11 the services of such volunteer department are required, and whose
12 services and activities during a year of service meet the minimum
13 requirements for qualification as an active member of his or her
14 volunteer department as established by section 3 of this act;

15 (2) Active rescue squad member means a person who has
16 been approved by the duly constituted authority in control of a
17 volunteer department as a volunteer member of the department, who
18 is performing service as part of a rescue squad in the protection
19 of life or health from emergency, accident, illness, or calamity
20 in connection with which the services of such volunteer department
21 are required, and whose services and activities during a year
22 of service meet the minimum requirements for qualification as an
23 active member of his or her volunteer department as established by
24 section 3 of this act;

25 (3) Active volunteer firefighter means a person who has

1 been approved by the duly constituted authority in control of a
2 volunteer department as a volunteer member of the department, who
3 is performing service as a firefighter in the protection of life
4 or property from fire or other emergency, accident, or calamity
5 in connection with which the services of such volunteer department
6 are required, and whose services and activities during a year
7 of service meet the minimum requirements for qualification as an
8 active member of his or her volunteer department as established by
9 section 3 of this act;

10 (4) Standard criteria for qualified active service means
11 the minimum annual service requirements for the qualification of a
12 volunteer member of a volunteer department as an active emergency
13 responder, active rescue squad member, or active volunteer
14 firefighter so as to allow such person a refundable credit to be
15 applied against his or her income tax liability; and

16 (5) Volunteer department means any volunteer fire
17 department, any volunteer first-aid, rescue, ambulance, or
18 emergency squad, or any volunteer fire company, association, or
19 organization serving any city, village, or rural or suburban fire
20 protection district by providing fire protection or emergency
21 response services for the purpose of protecting human life, health,
22 or property.

23 Sec. 3. (1) The standard criteria for qualified active
24 service shall be based on a total of one hundred possible points
25 per year. A person must accumulate at least fifty points out of

1 the possible one hundred points during a year of service in order
2 to qualify as an active emergency responder, active rescue squad
3 member, or active volunteer firefighter. Points shall be awarded as
4 provided in this section.

5 (2) A fixed amount of twenty-five points shall be awarded
6 to a person for responding to ten percent of the emergency response
7 calls which are (a) dispatched from his or her assigned station
8 or company during a year of service and (b) relevant to the
9 appropriate duty category of the person. An emergency response
10 call means any dispatch involving an emergency activity that an
11 emergency responder, rescue squad member, or volunteer firefighter
12 is directed to do by the chief of the fire department, the chief
13 of the ambulance service, or the person authorized to act for the
14 chief. No points shall be awarded for responding to less than ten
15 percent of the emergency response calls.

16 (3) For participation in training courses, a maximum
17 total of not more than twenty-five points may be awarded on the
18 following basis:

19 (a) For courses under twenty hours duration, one point
20 shall be awarded per two hours in the course, with a maximum of
21 five points awarded per course;

22 (b) For courses of twenty hours but less than forty-one
23 hours duration, five points shall be awarded, plus one point
24 awarded for each hour after the first twenty hours in the course,
25 with a maximum of ten points awarded per course; and

1 (c) For courses over forty hours duration, fifteen points
2 shall be awarded per course.

3 (4) For participation in drills, one point shall be
4 awarded per drill, with a maximum total of twenty points. Each
5 drill shall last at least two hours. Drills means regular monthly
6 drills used for instructional and educational purposes, as well
7 as mock emergency response exercises to evaluate the efficiency or
8 performance by the personnel of a volunteer department.

9 (5) For attendance at an official meeting of the
10 volunteer department or mutual aid organization, one point shall
11 be awarded per meeting, with a maximum total of not more than ten
12 points.

13 (6) A fixed award of ten points shall be awarded for
14 completion of a term in one of the following elected or appointed
15 positions: (a) An elected or appointed position defined in the
16 volunteer department's constitution or bylaws; (b) an elected or
17 appointed position of a mutual aid organization; or (c) an elected
18 office of the Nebraska State Volunteer Firefighter's Association
19 or other organized associations dealing with emergency response
20 services in Nebraska.

21 (7) For participation in activities of fire prevention
22 communicated to the public, at open houses, or at speaking
23 engagements on behalf of the volunteer department, presenting fire
24 or rescue equipment at a parade or other public event, attendance
25 at the Nebraska State Volunteer Firefighter's Association annual

1 meeting, attendance at a meeting of a governing body of a city,
2 village, or rural or suburban fire protection district on behalf of
3 the volunteer department, or other activities related to emergency
4 services not covered in this subsection, one point shall be awarded
5 per activity, but no more than one point shall be awarded per day,
6 with a maximum total of not more than ten points.

7 (8) Activities which may qualify a person to receive
8 points in more than one of the categories described in subsections
9 (2) through (7) of this section shall only be credited in one
10 category.

11 Sec. 4. (1) Each volunteer department serving a
12 city, village, or rural or suburban fire protection district
13 shall designate one member of the department to serve as the
14 certification administrator. The designation of such individual as
15 the certification administrator shall be confirmed and approved by
16 the governing body of such city, village, or rural or suburban fire
17 protection district. The certification administrator shall keep and
18 maintain records on the activities of all volunteer members and
19 award points for such activities based upon the standard criteria
20 for qualified active service.

21 (2) The certification administrator shall provide each
22 volunteer member with notice of the total points he or she
23 has accumulated during each six-month period during each year.
24 No later than thirty days following the end of each calendar
25 year of service, the certification administrator shall forward to

1 the governing body of the city, village, or rural or suburban
2 fire protection district a written report specifying the name of
3 each volunteer member of the volunteer department, the number
4 of points accumulated by each volunteer during the year of
5 service, and the names of those volunteers who have qualified
6 as active emergency responders, active rescue squad members, or
7 active volunteer firefighters. At the time of the filing of the
8 report, the certification administrator shall inform each volunteer
9 member of the department whose name does not appear on the list of
10 qualified volunteers of such fact in writing by mailing the same by
11 first-class United States mail, postage prepaid, to the last-known
12 address of such volunteer member.

13 (3) The governing body of the city, village, or rural
14 or suburban fire protection district shall approve and certify the
15 list of those volunteers who have qualified as active emergency
16 responders, active rescue squad members, or active volunteer
17 firefighters by February 10 of the following calendar year.

18 Sec. 5. Each city, village, or rural or suburban fire
19 protection district shall file with the Department of Revenue
20 a certified list of those volunteers who have qualified as
21 active emergency responders, active rescue squad members, or active
22 volunteer firefighters for the immediately preceding calendar year
23 of service no later than February 15.

24 Sec. 6. Section 77-2715.07, Revised Statutes Cumulative
25 Supplement, 2008, is amended to read:

1 77-2715.07 (1) There shall be allowed to qualified
2 resident individuals as a nonrefundable credit against the income
3 tax imposed by the Nebraska Revenue Act of 1967:

4 (a) A credit equal to the federal credit allowed under
5 section 22 of the Internal Revenue Code; and

6 (b) A credit for taxes paid to another state as provided
7 in section 77-2730.

8 (2) There shall be allowed to qualified resident
9 individuals against the income tax imposed by the Nebraska Revenue
10 Act of 1967:

11 (a) For returns filed reporting federal adjusted
12 gross incomes of greater than twenty-nine thousand dollars, a
13 nonrefundable credit equal to twenty-five percent of the federal
14 credit allowed under section 21 of the Internal Revenue Code of
15 1986, as amended;

16 (b) For returns filed reporting federal adjusted gross
17 income of twenty-nine thousand dollars or less, a refundable credit
18 equal to a percentage of the federal credit allowable under section
19 21 of the Internal Revenue Code of 1986, as amended, whether or
20 not the federal credit was limited by the federal tax liability.
21 The percentage of the federal credit shall be one hundred percent
22 for incomes not greater than twenty-two thousand dollars, and
23 the percentage shall be reduced by ten percent for each one
24 thousand dollars, or fraction thereof, by which the reported
25 federal adjusted gross income exceeds twenty-two thousand dollars;

1 (c) A refundable credit for individuals who qualify for
2 an income tax credit as an owner of agricultural assets under the
3 Beginning Farmer Tax Credit Act for all taxable years beginning or
4 deemed to begin on or after January 1, 2001, under the Internal
5 Revenue Code of 1986, as amended; and a refundable credit as
6 provided in section 77-5209.01 for individuals who qualify for an
7 income tax credit as a qualified beginning farmer or livestock
8 producer under the Beginning Farmer Tax Credit Act for all taxable
9 years beginning or deemed to begin on or after January 1, 2006,
10 under the Internal Revenue Code of 1986, as amended;

11 (d) A refundable credit for individuals who qualify for
12 an income tax credit under the Nebraska Advantage Microenterprise
13 Tax Credit Act or the Nebraska Advantage Research and Development
14 Act; and

15 (e) A refundable credit equal to ten percent of the
16 federal credit allowed under section 32 of the Internal Revenue
17 Code of 1986, as amended; and-

18 (f) A refundable credit of five hundred dollars for the
19 tax year for which an individual qualifies as an active emergency
20 responder, active rescue squad member, or active volunteer
21 firefighter under the Volunteer Emergency Responders Incentive Act.

22 (3) There shall be allowed to all individuals as a
23 nonrefundable credit against the income tax imposed by the Nebraska
24 Revenue Act of 1967:

25 (a) A credit for personal exemptions allowed under

1 section 77-2716.01;

2 (b) A credit for contributions to certified community
3 betterment programs as provided in the Community Development
4 Assistance Act. Each partner, each shareholder of an electing
5 subchapter S corporation, each beneficiary of an estate or trust,
6 or each member of a limited liability company shall report his or
7 her share of the credit in the same manner and proportion as he
8 or she reports the partnership, subchapter S corporation, estate,
9 trust, or limited liability company income; and

10 (c) A credit for investment in a biodiesel facility as
11 provided in section 77-27,236.

12 (4) There shall be allowed as a credit against the income
13 tax imposed by the Nebraska Revenue Act of 1967:

14 (a) A credit to all resident estates and trusts for taxes
15 paid to another state as provided in section 77-2730; and

16 (b) A credit to all estates and trusts for contributions
17 to certified community betterment programs as provided in the
18 Community Development Assistance Act.

19 (5)(a) For all taxable years beginning on or after
20 January 1, 2007, and before January 1, 2009, under the Internal
21 Revenue Code of 1986, as amended, there shall be allowed to each
22 partner, shareholder, member, or beneficiary of a partnership,
23 subchapter S corporation, limited liability company, or estate or
24 trust a nonrefundable credit against the income tax imposed by
25 the Nebraska Revenue Act of 1967 equal to fifty percent of the

1 partner's, shareholder's, member's, or beneficiary's portion of the
2 amount of franchise tax paid to the state under sections 77-3801 to
3 77-3807 by a financial institution.

4 (b) For all taxable years beginning on or after January
5 1, 2009, under the Internal Revenue Code of 1986, as amended,
6 there shall be allowed to each partner, shareholder, member, or
7 beneficiary of a partnership, subchapter S corporation, limited
8 liability company, or estate or trust a nonrefundable credit
9 against the income tax imposed by the Nebraska Revenue Act of 1967
10 equal to the partner's, shareholder's, member's, or beneficiary's
11 portion of the amount of franchise tax paid to the state under
12 sections 77-3801 to 77-3807 by a financial institution.

13 (c) Each partner, shareholder, member, or beneficiary
14 shall report his or her share of the credit in the same manner
15 and proportion as he or she reports the partnership, subchapter S
16 corporation, limited liability company, or estate or trust income.
17 If any partner, shareholder, member, or beneficiary cannot fully
18 utilize the credit for that year, the credit may not be carried
19 forward or back.

20 Sec. 7. This act becomes operative for taxable years
21 beginning or deemed to begin on or after January 1, 2009, under the
22 Internal Revenue Code of 1986, as amended.

23 Sec. 8. Original section 77-2715.07, Revised Statutes
24 Cumulative Supplement, 2008, is repealed.