To amend the Internal Revenue Code of 1986 to allow a $1,000 refundable credit for individuals who are bona fide volunteer members of volunteer firefighting and emergency medical service organizations.

IN THE SENATE OF THE UNITED STATES

MAY 10, 2011

Mr. SCHUMER introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to allow a $1,000 refundable credit for individuals who are bona fide volunteer members of volunteer firefighting and emergency medical service organizations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Supporting Emergency Responders Volunteer Efforts Act of 2011” or the “SERVE Act of 2011”.

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SEC. 2. REFUNDABLE CREDIT FOR BONA FIDE VOLUNTEER MEMBERS OF VOLUNTEER FIREFIGHTING AND EMERGENCY MEDICAL SERVICE ORGANIZATIONS.

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 36C the following new section:

"SEC. 36D. BONA FIDE VOLUNTEER MEMBERS OF VOLUNTEER FIREFIGHTING AND EMERGENCY MEDICAL SERVICE ORGANIZATIONS.

"(a) IN GENERAL.—In the case of an individual who at any time during the taxable year is a bona fide volunteer member of a qualified volunteer fire department, there shall be allowed as a credit against the tax imposed by this subtitle the amount of $1,000.

"(b) DEFINITIONS.—For purposes of this section—

"(1) BONA FIDE VOLUNTEER MEMBER OF A QUALIFIED VOLUNTEER FIRE DEPARTMENT.—

"(A) IN GENERAL.—An individual shall be treated as a bona fide volunteer of a qualified volunteer fire department for purposes of this section if—

"(i) such individual was a member of a qualified volunteer fire department for
not less than 6 months during the taxable year,

“(ii) such individual met all applicable training and certification requirements of the qualified volunteer fire department during all periods in which such individual was a member of the such department,

“(iii) the only compensation received by such individual for performing qualified services is in the form of—

“(I) reimbursement for (or a reasonable allowance for) reasonable expenses incurred in the performance of such services, or

“(II) reasonable benefits (including length of service awards), and nominal fees for such services, customarily paid by eligible employers in connection with the performance of such services by volunteers, and

“(iv) the aggregate amount of such compensation for the taxable year for providing qualified services does not exceed an amount equal to the annual limitation.
“(B) ANNUAL LIMITATION.—For purposes of subparagraph (A), the annual limitation is an amount equal to the product of—

“(i) the minimum wage in effect under section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) on the first day of the calendar year beginning in the taxable year, multiplied by

“(ii) 2,080 hours.

“(2) QUALIFIED SERVICES.—For purposes of this paragraph, the term ‘qualified services’ means fire fighting and prevention services, emergency medical services, and ambulance services.

“(3) QUALIFIED VOLUNTEER FIRE DEPARTMENT.—The term ‘qualified volunteer fire department’ has the meaning given such term by section 150(e).”.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting “36D,” after “36C,”.

(2) The table of sections for subpart C of part IV of subchapter A of chapter 1 of the Internal Rev-
enue Code of 1986 is amended by inserting after the
item relating to section 36C the following new item:

“Sec. 36D. Bona fide volunteer members of volunteer firefighting and emer-
gency medical service organizations.”.

(c) EFFECTIVE DATE.—The amendments made by
this section shall apply to taxable years beginning after
the date of the enactment of this Act.

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