

109TH CONGRESS  
1ST SESSION

# H. R. 934

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.

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## IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 17, 2005

Mr. HINCHEY (for himself, Mr. KILDEE, Mr. GOODE, Mr. OWENS, Mr. McNULTY, Mr. EVANS, Ms. WOOLSEY, Mr. KENNEDY of Rhode Island, and Mr. BISHOP of New York) introduced the following bill; which was referred to the Committee on Ways and Means

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## 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.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Supporting Emergency  
5 Responders Volunteer Efforts Act of 2005” or the  
6 “SERVE Act of 2005”.

1 **SEC. 2. REFUNDABLE CREDIT FOR BONA FIDE VOLUNTEER**  
 2 **MEMBERS OF VOLUNTEER FIREFIGHTING**  
 3 **AND EMERGENCY MEDICAL SERVICE ORGA-**  
 4 **NIZATIONS.**

5 (a) IN GENERAL.—Subpart C of part IV of sub-  
 6 chapter A of chapter 1 of the Internal Revenue Code of  
 7 1986 (relating to refundable credits) is amended by redes-  
 8 ignating section 36 as section 37 and by inserting after  
 9 section 35 the following new section:

10 **“SEC. 36. BONA FIDE VOLUNTEER MEMBERS OF VOLUN-**  
 11 **TEER FIREFIGHTING AND EMERGENCY MED-**  
 12 **ICAL SERVICE ORGANIZATIONS.**

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

18 “(b) PART-YEAR ACTIVE MEMBERS.—In the case of  
 19 an individual who is a bona fide volunteer member of a  
 20 qualified volunteer fire department for only a portion of  
 21 a taxable year, the amount of the credit under subsection  
 22 (a) for such taxable year shall be an amount which bears  
 23 the same ratio to \$1,000 as such portion bears to the en-  
 24 tire taxable year.

25 “(c) DEFINITIONS.—For purposes of this section—

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

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

7           “(i) the only compensation received by  
8           such individual for performing qualified  
9           services is in the form of—

10           “(I) reimbursement for (or a rea-  
11           sonable allowance for) reasonable ex-  
12           penses incurred in the performance of  
13           such services, or

14           “(II) reasonable benefits (includ-  
15           ing length of service awards), and  
16           nominal fees for such services, cus-  
17           tomarily paid by eligible employers in  
18           connection with the performance of  
19           such services by volunteers, and

20           “(ii) the aggregate amount of such  
21           compensation for the taxable year for pro-  
22           viding qualified services does not exceed an  
23           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 “or 36” after “section 35”.

(2) The table of sections for subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by redesignating the

1 item relating to section 36 as an item relating to  
2 section 37 and by inserting before the item relating  
3 to section 37 the following new item:

“Sec. 36. Bona fide volunteer members of volunteer firefighting and emergency  
medical service organizations.”.

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

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