

# FISCAL NOTE

October 31, 2019

<b>Bill No:</b>	HB 376	<b>Printer's No:</b>	367	<b>Sponsor:</b>	Owlett
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## COST / (SAVINGS)

<b>Fund (s)</b>	<b>2019-20</b>	<b>2020-21</b>
General Fund	See "FISCAL IMPACT"	See "FISCAL IMPACT"

**SUMMARY:** HB 376 amends the Tax Reform Code (TRC) to establish a tax credit for members of volunteer emergency response organizations who use their own funds to purchase equipment.

**ANALYSIS:** HB 376 amends the TRC to establish a tax credit for members of volunteer emergency response organizations who use their own funds to purchase equipment necessary for their work as first responders. The bill defines equipment as "acceptable equipment, including helmets, jackets, protection gear, boots, and fire suits." The credit is capped at \$500 annually.

HB 376 takes effect immediately.

**FISCAL IMPACT:** There are currently 70,000 firefighters in Pennsylvania. If every firefighter used the entire amount of the credit this would create a \$35 million annual revenue loss. However, the Department of Revenue estimates that the actual annual revenue loss will be closer to \$12 million, based on factors including the number of firefighters purchasing equipment, average spending per firefighter, and tax liabilities of firefighters.