

Washington, DC -- Legislation cosponsored by U.S. Representative Michael A. Arcuri (D-Utica) to provide tax relief for volunteer first responders passed the House of Representatives earlier this month with strong bi-partisan support.

“Many local communities depend on volunteer emergency first responders to protect their homes and businesses,” **said Arcuri, a member of the Congressional Fire Services Caucus** . “These brave men and women put their lives on the line to protect our communities. I’m working in Washington to make sure they receive the tax relief they’ve earned and to provide local departments the resources to recruit and retain volunteers. By making a change at the federal level, we can help localities in Upstate New York, and across the country, justly reward the brave men and women who volunteer for the most valuable form of public service.”

The legislation, the Heroes Earnings Assistance and Relief Tax Act (H.R. 3997), would exempt property tax abatements and other incentives offered to volunteer firefighters and emergency medical service (EMS) personnel by states and localities from federal taxation. Some states, including New York, offer existing tax incentives to first responders. However, the Internal Revenue Service has ruled that property tax abatements are considered federally taxable income. H.R. 3997 responds to this conflict by changing the federal tax code to ensure that tax incentives provided to first responders will be exempt from federal taxation. H.R. 3997 now awaits action by the Senate.

The International Association of Fire Chiefs found that the number of volunteer firefighters dropped ten percent between 1984 and 2003. H.R. 3997 would provide a much needed incentive for localities to use in volunteer recruitment and retention - increasing the ranks of volunteer emergency responders, whose declining numbers over the last 20 years have left a vulnerable gap in many local departments.

“This legislation is a positive step in the right direction – providing much needed tax relief to volunteer firefighters,” **said David Jacobowitz, Vice President of the Firemen’s Association of the State of New York** . “Congress is starting to realize that tax relief will allow us to retain and recruit volunteers. Passage of this legislation puts us in a good position to seek further tax relief for volunteer first responders in the future. I applaud Congressman Arcuri for his continued support of the fire services.”

Two-thirds of the 1.2 million firefighters in the country are volunteers. According to testimony heard before the Ways and Means Committee in October, volunteer firefighters protect

approximately 38% of America's population and more than 70% of the land. Volunteer first responders save American taxpayers \$37.2 billion per year according to a 2004 study by St. Joseph's University in partnership with Volunteer Fire Services Incorporated.

Arcuri is an original cosponsor of the Volunteer Responder Incentive Protection Act, H.R. 943, which was included in H.R. 3997.

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