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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 1557 Session of  
2023

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INTRODUCED BY HOGAN, STEELE, R. MACKENZIE, MARCELL AND GILLEN,  
JULY 5, 2023

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REFERRED TO COMMITTEE ON FINANCE, JULY 5, 2023

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AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An  
2 act relating to tax reform and State taxation by codifying  
3 and enumerating certain subjects of taxation and imposing  
4 taxes thereon; providing procedures for the payment,  
5 collection, administration and enforcement thereof; providing  
6 for tax credits in certain cases; conferring powers and  
7 imposing duties upon the Department of Revenue, certain  
8 employers, fiduciaries, individuals, persons, corporations  
9 and other entities; prescribing crimes, offenses and  
10 penalties," providing for Firefighter and Emergency Medical  
11 Service Provider Recruitment and Retention Tax Credit.

12 The General Assembly of the Commonwealth of Pennsylvania  
13 hereby enacts as follows:

14 Section 1. The act of March 4, 1971 (P.L.6, No.2), known as  
15 the Tax Reform Code of 1971, is amended by adding an article to  
16 read:

17 ARTICLE XIX-J

18 FIREFIGHTER AND EMERGENCY

19 MEDICAL SERVICE PROVIDER RECRUITMENT

20 AND RETENTION TAX CREDIT

21 Section 1901-J. Scope of article.

22 This article relates to the Firefighter and Emergency Medical

1 Service Provider Recruitment and Retention Tax Credit.

2 Section 1902-J. Definitions.

3 The following words and phrases when used in this article  
4 shall have the meanings given to them in this section unless the  
5 context clearly indicates otherwise:

6 "Active, paid or volunteer firefighter or emergency medical  
7 service provider." The term includes an active volunteer, as  
8 defined in 35 Pa.C.S. § 79A03 (relating to definitions) and a  
9 career first responder who volunteers or works for any of the  
10 following:

11 (1) Career emergency medical services as defined in 35  
12 Pa.C.S. § 7802 (relating to definitions).

13 (2) An emergency medical services company as defined in  
14 35 Pa.C.S. § 7802.

15 (3) A fire company as defined in 35 Pa.C.S. § 7802.

16 (4) A volunteer emergency medical services company as  
17 defined in 35 Pa.C.S. § 7802.

18 (5) A volunteer fire company as defined in 35 Pa.C.S. §  
19 7802.

20 (6) A volunteer rescue company as defined in 35 Pa.C.S.  
21 § 7802.

22 "Department." The Department of Revenue of the Commonwealth.

23 "Qualifying taxpayer." An individual who is an active, paid  
24 or volunteer firefighter or emergency medical service provider.

25 "Tax credit." The Firefighter and Emergency Medical Service  
26 Provider Recruitment and Retention Tax Credit authorized under  
27 this article.

28 "Tax liability." The liability for taxes imposed on  
29 individuals under section 302.

30 "Taxpayer." A qualified individual subject to the tax

1 imposed under Article III.

2 Section 1903-J. Credit for attraction and retention of needed  
3 professionals.

4 (a) Tax credit.--For taxable years beginning after December  
5 31, 2022, a qualifying taxpayer may claim a tax credit, to be  
6 known as the Firefighter and Emergency Medical Service Provider  
7 Recruitment and Retention Tax Credit, not to exceed \$2,500  
8 against the qualifying taxpayer's tax liability for wages  
9 earned.

10 (b) Claim of tax credit.--A taxpayer must claim a tax credit  
11 on a return filed under section 330.

12 (c) Adequate proof of qualifications.--A taxpayer must  
13 provide the department with proof that the taxpayer is a  
14 qualified taxpayer.

15 (d) Applicability of tax credit.--The tax credit shall be  
16 considered a payment of estimated tax made under Part VIII of  
17 Article III.

18 (e) Duration of tax credit.--A taxpayer may claim the tax  
19 credit for the year in which the taxpayer first becomes a  
20 qualified taxpayer and the next two succeeding tax years if the  
21 qualified taxpayer remains employed in a qualifying field.

22 Section 1904-J. Prohibitions.

23 A qualified taxpayer may not carry over, carry back, sell,  
24 assign or transfer a tax credit.

25 Section 1905-J. Departmental duties.

26 The department shall publish guidelines and may promulgate  
27 regulations necessary for the implementation and administration  
28 of this article.

29 Section 1906-J. Applicability.

30 The tax credit shall apply to individuals who become

1 qualifying taxpayers after December 31, 2022, and prior to  
2 January 1, 2026.

3 Section 1907-J. Expiration.

4 This article shall expire December 31, 2028.

5 Section 2. This act shall take effect in 60 days.