

107TH CONGRESS
1ST SESSION

H. R. 1651

To amend the Internal Revenue Code of 1986 to exclude from gross income health care subsidy payments made to employers by local governments on behalf of volunteer firefighters.

IN THE HOUSE OF REPRESENTATIVES

MAY 1, 2001

Mr. ANDREWS introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to exclude from gross income health care subsidy payments made to employers by local governments on behalf of volunteer firefighters.

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 “Volunteer Firefighters’
5 Protection Act of 2001”.

1 **SEC. 2. EXCLUSION OF HEALTH CARE SUBSIDY PAYMENTS**
2 **MADE ON BEHALF OF VOLUNTEER FIRE-**
3 **FIGHTERS.**

4 (a) GENERAL RULE.—Part III of subchapter B of
5 chapter 1 of the Internal Revenue Code of 1986 (relating
6 to items specifically excluded from gross income) is
7 amended by redesignating section 139 as section 139A
8 and by inserting after section 138 the following new sec-
9 tion:

10 **“SEC. 139. HEALTH CARE SUBSIDY PAYMENTS MADE ON BE-**
11 **HALF OF VOLUNTEER FIREFIGHTERS.**

12 “(a) GENERAL RULE.—In the case of an employer,
13 gross income does not include amounts received in a tax-
14 able year as a qualified health care subsidy payment.

15 “(b) QUALIFIED HEALTH CARE SUBSIDY PAY-
16 MENT.—For purposes of subsection (a), the term ‘quali-
17 fied health care subsidy payment’ means a payment
18 which—

19 “(1) is made by a political subdivision of a
20 State to the taxpayer under a qualified volunteer
21 firefighter agreement, and

22 “(2) does not exceed the aggregate of the appli-
23 cable premiums (within the meaning of section
24 4980B(f)(4)) for insurance which constitutes med-
25 ical care (as defined in section 213(d)) for the em-

1 ployees of such taxpayer who are qualified volunteer
 2 firefighters, their spouses, and dependents.

3 “(c) QUALIFIED VOLUNTEER FIREFIGHTER AGREE-
 4 MENT.—The term ‘qualified volunteer firefighter agree-
 5 ment’ means an agreement entered into between the tax-
 6 payer and a political subdivision of a State under which—

7 “(1) the taxpayer allows the employees who are
 8 qualified volunteer firefighters to be on call while at
 9 work for the taxpayer for such hours as the taxpayer
 10 and employees may agree, and

11 “(2) the taxpayer agrees not to demote or fire
 12 any such employee as a result of work missed under
 13 such agreement.

14 “(d) QUALIFIED VOLUNTEER FIREFIGHTER.—For
 15 purposes of this section, the term ‘qualified volunteer fire-
 16 fighter’ means an individual who, at all times during the
 17 taxable year, is a member in good standing of a qualified
 18 volunteer fire department (as defined in section 150(e)).”.

19 (b) CLERICAL AMENDMENT.—The table of sections
 20 for such part is amended by striking the last item and
 21 inserting the following new items:

 “Sec. 139. Health care subsidy payments made on behalf of vol-
 unteer firefighters.

 “Sec. 139A. Cross references to other Acts.”.

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

○