

107TH CONGRESS
2^D SESSION

H. R. 5416

To amend the Internal Revenue Code of 1986 to exclude from income and employment taxes and wage withholding property tax rebates and other benefits provided to volunteer firefighters and emergency medical responders.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 19, 2002

Mr. LARSON of Connecticut (for himself, Mr. WELDON of Pennsylvania, Mr. MALONEY of Connecticut, Ms. DELAURO, Mrs. JOHNSON of Connecticut, Mr. SIMMONS, Mr. SHAYS, and Mr. FROST) 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 income and employment taxes and wage withholding property tax rebates and other benefits provided to volunteer firefighters and emergency medical responders.

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

1 **SECTION 1. EXCLUSION FROM INCOME AND EMPLOYMENT**
2 **TAXES AND WAGE WITHHOLDING FOR PROP-**
3 **ERTY TAX REBATES AND OTHER BENEFITS**
4 **PROVIDED TO VOLUNTEER FIREFIGHTERS**
5 **AND EMERGENCY MEDICAL RESPONDERS.**

6 (a) EXCLUSION FROM GROSS INCOME.—

7 (1) IN GENERAL.—Part III of subchapter B of
8 chapter 1 of the Internal Revenue Code of 1986 (re-
9 lating to items specifically excluded from gross in-
10 come) is amended by redesignating section 140 as
11 section 140A and by inserting after section 139 the
12 following new section:

13 **“SEC. 140. PROPERTY TAX REBATES AND OTHER BENEFITS**
14 **PROVIDED TO VOLUNTEER FIREFIGHTERS**
15 **AND EMERGENCY MEDICAL RESPONDERS.**

16 “(a) EXCLUSION.—Gross income shall not include a
17 qualified property tax rebate or other benefit.

18 “(b) QUALIFIED PROPERTY TAX REBATE OR OTHER
19 BENEFIT.—For purposes of subsection (a)—

20 “(1) IN GENERAL.—The term ‘qualified prop-
21 erty tax rebate or other benefit’ means a rebate of
22 real or personal property taxes, or any other benefit,
23 provided by a State or political subdivision on ac-
24 count of services performed as a member of a quali-
25 fied volunteer emergency response organization.

1 “(2) QUALIFIED VOLUNTEER EMERGENCY RE-
2 SPONSE ORGANIZATION.—The term ‘qualified volun-
3 teer emergency response organization’ means any
4 volunteer organization—

5 “(A) which is organized and operated to
6 provide firefighting or emergency medical serv-
7 ices for persons in the State or political subdivi-
8 sion, as the case may be, and

9 “(B) which is required (by written agree-
10 ment) by the State or political subdivision to
11 furnish firefighting or emergency medical serv-
12 ices in such State or political subdivision.”.

13 (2) CLERICAL AMENDMENT.—The table of sec-
14 tions for such part is amended by striking the last
15 item and inserting the following new items:

“Sec. 140. Property tax rebates and other benefits provided to
volunteer firefighters and emergency medical re-
sponders.

“Sec. 140A. Cross references to other Acts.”.

16 (b) EXCLUSION FROM EMPLOYMENT TAXES.—

17 (1) SOCIAL SECURITY TAXES.—

18 (A) Section 3121(a) of such Code (relating
19 to definition of wages) is amended by striking
20 “or” at the end of paragraph (20), by striking
21 the period at the end of paragraph (21) and in-
22 sserting “; or”, and by inserting after paragraph
23 (21) the following new paragraph:

1 “(22) any qualified property tax rebate or other
2 benefit (as defined in section 140(b)).”.

3 (B) Section 209(a) of the Social Security
4 Act is amended by striking “or” at the end of
5 paragraph (17), by striking the period at the
6 end of paragraph (18) and inserting “; or”, and
7 by inserting after paragraph (18) the following
8 new paragraph:

9 “(19) Any qualified property tax rebate or
10 other benefit (as defined in section 140(b) of the In-
11 ternal Revenue Code of 1986).”.

12 (2) UNEMPLOYMENT TAXES.—Section 3306(b)
13 of such Code (relating to definition of wages) is
14 amended by striking “or” at the end of paragraph
15 (16), by striking the period at the end of paragraph
16 (17) and inserting “; or”, and by inserting after
17 paragraph (17) the following new paragraph:

18 “(18) any qualified property tax rebate or other
19 benefit (as defined in section 140(b)).”.

20 (3) WAGE WITHHOLDING.—Section 3401(a) of
21 such Code (defining wages) is amended by striking
22 “or” at the end of paragraph (20), by striking the
23 period at the end of paragraph (21) and inserting “;
24 or”, and by inserting after paragraph (21) the fol-
25 lowing new paragraph:

1 “(22) for any qualified property tax rebate or
2 other benefit (as defined in section 140(b)).”.

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

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