

LEGISLATURE OF NEBRASKA  
ONE HUNDRED THIRD LEGISLATURE  
FIRST SESSION  
**LEGISLATIVE BILL 440**

Introduced by Gloor, 35; Campbell, 25; Dubas, 34.

Read first time January 22, 2013

Committee: Revenue

A BILL

1 FOR AN ACT relating to emergency responders; to amend section  
2 77-2715.07, Revised Statutes Cumulative Supplement, 2012;  
3 to adopt the Volunteer Emergency Responders Incentive  
4 Act; to provide for an income tax credit as prescribed;  
5 and to repeal the original section.  
6 Be it enacted by the people of the State of Nebraska,

1           Section 1. Sections 1 to 5 of this act shall be known and  
2 may be cited as the Volunteer Emergency Responders Incentive Act.

3           Sec. 2. For purposes of the Volunteer Emergency  
4 Responders Incentive Act:

5           (1) Active emergency responder means a person who has  
6 been approved by the duly constituted authority in control of a  
7 volunteer department as a volunteer member of the department, who is  
8 performing services, as both a firefighter and on a rescue squad in  
9 the protection of life, health, or property from fire or other  
10 emergency, accident, illness, or calamity in connection with which  
11 the services of such volunteer department are required, and whose  
12 services and activities during a year of service meet the minimum  
13 requirements for qualification as an active member of his or her  
14 volunteer department as established by section 3 of this act;

15           (2) Active rescue squad member means a person who has  
16 been approved by the duly constituted authority in control of a  
17 volunteer department as a volunteer member of the department, who is  
18 performing service as part of a rescue squad in the protection of  
19 life or health from emergency, accident, illness, or calamity in  
20 connection with which the services of such volunteer department are  
21 required, and whose services and activities during a year of service  
22 meet the minimum requirements for qualification as an active member  
23 of his or her volunteer department as established by section 3 of  
24 this act;

25           (3) Active volunteer firefighter means a person who has

1 been approved by the duly constituted authority in control of a  
2 volunteer department as a volunteer member of the department, who is  
3 performing service as a firefighter in the protection of life or  
4 property from fire or other emergency, accident, or calamity in  
5 connection with which the services of such volunteer department are  
6 required, and whose services and activities during a year of service  
7 meet the minimum requirements for qualification as an active member  
8 of his or her volunteer department as established by section 3 of  
9 this act;

10           (4) Standard criteria for qualified active service means  
11 the minimum annual service requirements for the qualification of a  
12 volunteer member of a volunteer department as an active emergency  
13 responder, active rescue squad member, or active volunteer  
14 firefighter so as to allow such person a refundable credit to be  
15 applied against his or her income tax liability; and

16           (5) Volunteer department means any volunteer fire  
17 department, any volunteer first-aid, rescue, ambulance, or emergency  
18 squad, or any volunteer fire company, association, or organization  
19 serving any city, village, or rural or suburban fire protection  
20 district by providing fire protection or emergency response services  
21 for the purpose of protecting human life, health, or property.

22           Sec. 3. (1) The standard criteria for qualified active  
23 service shall be based on a total of one hundred possible points per  
24 year. A person must accumulate at least fifty points out of the  
25 possible one hundred points during a year of service in order to

1 qualify as an active emergency responder, active rescue squad member,  
2 or active volunteer firefighter. Points shall be awarded as provided  
3 in this section.

4 (2) A fixed amount of twenty-five points shall be awarded  
5 to a person for responding to ten percent of the emergency response  
6 calls which are (a) dispatched from his or her assigned station or  
7 company during a year of service and (b) relevant to the appropriate  
8 duty category of the person. An emergency response call means any  
9 dispatch involving an emergency activity that an emergency responder,  
10 rescue squad member, or volunteer firefighter is directed to do by  
11 the chief of the fire department, the chief of the ambulance service,  
12 or the person authorized to act for the chief. No points shall be  
13 awarded for responding to less than ten percent of the emergency  
14 response calls.

15 (3) For participation in training courses, a maximum  
16 total of not more than twenty-five points may be awarded on the  
17 following basis:

18 (a) For courses under twenty hours duration, one point  
19 shall be awarded per two hours in the course, with a maximum of five  
20 points awarded per course;

21 (b) For courses of twenty hours but less than forty-one  
22 hours duration, five points shall be awarded, plus one point awarded  
23 for each hour after the first twenty hours in the course, with a  
24 maximum of ten points awarded per course; and

25 (c) For courses over forty hours duration, fifteen points

1 shall be awarded per course.

2 (4) For participation in drills, one point shall be  
3 awarded per drill, with a maximum total of twenty points. Each drill  
4 shall last at least two hours. Drills means regular monthly drills  
5 used for instructional and educational purposes, as well as mock  
6 emergency response exercises to evaluate the efficiency or  
7 performance by the personnel of a volunteer department.

8 (5) For attendance at an official meeting of the  
9 volunteer department or mutual aid organization, one point shall be  
10 awarded per meeting, with a maximum total of not more than ten  
11 points.

12 (6) A fixed award of ten points shall be awarded for  
13 completion of a term in one of the following elected or appointed  
14 positions: (a) An elected or appointed position defined in the  
15 volunteer department's constitution or bylaws; (b) an elected or  
16 appointed position of a mutual aid organization; or (c) an elected  
17 office of the Nebraska State Volunteer Firefighter's Association, the  
18 Nebraska Emergency Medical Service Association, or other organized  
19 associations dealing with emergency response services in Nebraska.

20 (7) For participation in activities of fire prevention  
21 communicated to the public, at open houses, or at speaking  
22 engagements on behalf of the volunteer department, presenting fire or  
23 rescue equipment at a parade or other public event, attendance at the  
24 Nebraska State Volunteer Firefighter's Association annual meeting,  
25 attendance at the Nebraska Emergency Medical Service Association

1 annual meeting, attendance at a meeting of a governing body of a  
2 city, village, or rural or suburban fire protection district on  
3 behalf of the volunteer department, or other activities related to  
4 emergency services not covered in this subsection, one point shall be  
5 awarded per activity, but no more than one point shall be awarded per  
6 day, with a maximum total of not more than ten points.

7 (8) Activities which may qualify a person to receive  
8 points in more than one of the categories described in subsections  
9 (2) through (7) of this section shall only be credited in one  
10 category.

11 Sec. 4. (1) Each volunteer department serving a city,  
12 village, or rural or suburban fire protection district shall  
13 designate one member of the department to serve as the certification  
14 administrator. The designation of such individual as the  
15 certification administrator shall be confirmed and approved by the  
16 governing body of such city, village, or rural or suburban fire  
17 protection district. The certification administrator shall keep and  
18 maintain records on the activities of all volunteer members and award  
19 points for such activities based upon the standard criteria for  
20 qualified active service.

21 (2) The certification administrator shall provide each  
22 volunteer member with notice of the total points he or she has  
23 accumulated during each six-month period during each year. No later  
24 than thirty days following the end of each calendar year of service,  
25 the certification administrator shall forward to the governing body

1 of the city, village, or rural or suburban fire protection district a  
2 written report specifying the name of each volunteer member of the  
3 volunteer department, the number of points accumulated by each  
4 volunteer during the year of service, and the names of those  
5 volunteers who have qualified as active emergency responders, active  
6 rescue squad members, or active volunteer firefighters. At the time  
7 of the filing of the report, the certification administrator shall  
8 inform each volunteer member of the department whose name does not  
9 appear on the list of qualified volunteers of such fact in writing by  
10 mailing the same by first-class United States mail, postage prepaid,  
11 to the last-known address of such volunteer member.

12 (3) The governing body of the city, village, or rural or  
13 suburban fire protection district shall approve and certify the list  
14 of those volunteers who have qualified as active emergency  
15 responders, active rescue squad members, or active volunteer  
16 firefighters by February 10 of the following calendar year.

17 Sec. 5. Each city, village, or rural or suburban fire  
18 protection district shall file with the Department of Revenue a  
19 certified list of those volunteers who have qualified as active  
20 emergency responders, active rescue squad members, or active  
21 volunteer firefighters for the immediately preceding calendar year of  
22 service no later than February 15.

23 Sec. 6. Section 77-2715.07, Revised Statutes Cumulative  
24 Supplement, 2012, is amended to read:

25 77-2715.07 (1) There shall be allowed to qualified

1 resident individuals as a nonrefundable credit against the income tax  
2 imposed by the Nebraska Revenue Act of 1967:

3 (a) A credit equal to the federal credit allowed under  
4 section 22 of the Internal Revenue Code; and

5 (b) A credit for taxes paid to another state as provided  
6 in section 77-2730.

7 (2) There shall be allowed to qualified resident  
8 individuals against the income tax imposed by the Nebraska Revenue  
9 Act of 1967:

10 (a) For returns filed reporting federal adjusted gross  
11 incomes of greater than twenty-nine thousand dollars, a nonrefundable  
12 credit equal to twenty-five percent of the federal credit allowed  
13 under section 21 of the Internal Revenue Code of 1986, as amended;

14 (b) For returns filed reporting federal adjusted gross  
15 income of twenty-nine thousand dollars or less, a refundable credit  
16 equal to a percentage of the federal credit allowable under section  
17 21 of the Internal Revenue Code of 1986, as amended, whether or not  
18 the federal credit was limited by the federal tax liability. The  
19 percentage of the federal credit shall be one hundred percent for  
20 incomes not greater than twenty-two thousand dollars, and the  
21 percentage shall be reduced by ten percent for each one thousand  
22 dollars, or fraction thereof, by which the reported federal adjusted  
23 gross income exceeds twenty-two thousand dollars;

24 (c) A refundable credit as provided in section 77-5209.01  
25 for individuals who qualify for an income tax credit as a qualified

1 beginning farmer or livestock producer under the Beginning Farmer Tax  
2 Credit Act for all taxable years beginning or deemed to begin on or  
3 after January 1, 2006, under the Internal Revenue Code of 1986, as  
4 amended;

5 (d) A refundable credit for individuals who qualify for  
6 an income tax credit under the Angel Investment Tax Credit Act, the  
7 Nebraska Advantage Microenterprise Tax Credit Act, or the Nebraska  
8 Advantage Research and Development Act; ~~and~~

9 (e) A refundable credit equal to ten percent of the  
10 federal credit allowed under section 32 of the Internal Revenue Code  
11 of 1986, as amended; and -

12 (f) For taxable years beginning on or after January 1,  
13 2014, under the Internal Revenue Code of 1986, as amended, a  
14 refundable credit of five hundred dollars for the tax year for which  
15 an individual qualifies as an active emergency responder, active  
16 rescue squad member, or active volunteer firefighter under the  
17 Volunteer Emergency Responders Incentive Act.

18 (3) There shall be allowed to all individuals as a  
19 nonrefundable credit against the income tax imposed by the Nebraska  
20 Revenue Act of 1967:

21 (a) A credit for personal exemptions allowed under  
22 section 77-2716.01;

23 (b) A credit for contributions to certified community  
24 betterment programs as provided in the Community Development  
25 Assistance Act. Each partner, each shareholder of an electing

1 subchapter S corporation, each beneficiary of an estate or trust, or  
2 each member of a limited liability company shall report his or her  
3 share of the credit in the same manner and proportion as he or she  
4 reports the partnership, subchapter S corporation, estate, trust, or  
5 limited liability company income;

6 (c) A credit for investment in a biodiesel facility as  
7 provided in section 77-27,236; and

8 (d) A credit as provided in the New Markets Job Growth  
9 Investment Act.

10 (4) There shall be allowed as a credit against the income  
11 tax imposed by the Nebraska Revenue Act of 1967:

12 (a) A credit to all resident estates and trusts for taxes  
13 paid to another state as provided in section 77-2730;

14 (b) A credit to all estates and trusts for contributions  
15 to certified community betterment programs as provided in the  
16 Community Development Assistance Act; and

17 (c) A refundable credit for individuals who qualify for  
18 an income tax credit as an owner of agricultural assets under the  
19 Beginning Farmer Tax Credit Act for all taxable years beginning or  
20 deemed to begin on or after January 1, 2009, under the Internal  
21 Revenue Code of 1986, as amended. The credit allowed for each  
22 partner, shareholder, member, or beneficiary of a partnership,  
23 corporation, limited liability company, or estate or trust qualifying  
24 for an income tax credit as an owner of agricultural assets under the  
25 Beginning Farmer Tax Credit Act shall be equal to the partner's,

1 shareholder's, member's, or beneficiary's portion of the amount of  
2 tax credit distributed pursuant to subsection (4) of section 77-5211.

3 (5)(a) For all taxable years beginning on or after  
4 January 1, 2007, and before January 1, 2009, under the Internal  
5 Revenue Code of 1986, as amended, there shall be allowed to each  
6 partner, shareholder, member, or beneficiary of a partnership,  
7 subchapter S corporation, limited liability company, or estate or  
8 trust a nonrefundable credit against the income tax imposed by the  
9 Nebraska Revenue Act of 1967 equal to fifty percent of the partner's,  
10 shareholder's, member's, or beneficiary's portion of the amount of  
11 franchise tax paid to the state under sections 77-3801 to 77-3807 by  
12 a financial institution.

13 (b) For all taxable years beginning on or after January  
14 1, 2009, under the Internal Revenue Code of 1986, as amended, there  
15 shall be allowed to each partner, shareholder, member, or beneficiary  
16 of a partnership, subchapter S corporation, limited liability  
17 company, or estate or trust a nonrefundable credit against the income  
18 tax imposed by the Nebraska Revenue Act of 1967 equal to the  
19 partner's, shareholder's, member's, or beneficiary's portion of the  
20 amount of franchise tax paid to the state under sections 77-3801 to  
21 77-3807 by a financial institution.

22 (c) Each partner, shareholder, member, or beneficiary  
23 shall report his or her share of the credit in the same manner and  
24 proportion as he or she reports the partnership, subchapter S  
25 corporation, limited liability company, or estate or trust income. If

1 any partner, shareholder, member, or beneficiary cannot fully utilize  
2 the credit for that year, the credit may not be carried forward or  
3 back.

4                   Sec. 7. Original section 77-2715.07, Revised Statutes  
5 Cumulative Supplement, 2012, is repealed.