AN ACT to create 71.07 (8m) and 71.10 (4) (ha) of the statutes; relating to: a tax credit for volunteer emergency responders.

Analysis by the Legislative Reference Bureau

This bill creates a nonrefundable income tax credit for volunteer fire fighters, emergency medical responders, and emergency medical services practitioners (responders). The credit is equal to $100. An individual is eligible to claim the credit if the individual is in good standing with the department for which he or she serves and has served as a responder for at least five years. An individual who has served as a responder in more than one department may combine the time served in those departments when determining whether the five-year threshold is met. Because the credit is nonrefundable, it may be claimed only up to the amount of a taxpayer’s tax liability.

For further information see the state fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 71.07 (8m) of the statutes is created to read:

71.07 (8m) EMERGENCY RESPONDER CREDIT. (a) Definitions. In this subsection:
1. “Claimant” means an emergency responder who files a claim under this subsection.

2. “Emergency responder” means an individual who serves in this state as a volunteer emergency medical responder, as defined in s. 256.01 (4p); a volunteer firefighter; or a volunteer emergency medical services practitioner, as defined in s. 256.01 (5).

(b) Filing claims. For taxable years beginning after December 31, 2020, and subject to the limitations provided in this subsection, a claimant may claim as a credit against the tax imposed under s. 71.02, up to the amount of those taxes, an amount equal to $100.

(c) Limitations. 1. No claimant may claim the credit under this subsection unless the claimant is in good standing with the department for which he or she serves and has served as an emergency responder for at least 5 years, including the taxable year for which the claim is made. A claimant who has served as an emergency responder in more than one department in this state may include the time spent serving in other departments when determining whether the 5-year threshold is met.

2. No credit may be claimed under this subsection by a part-year resident or a nonresident of this state.

3. No credit may be allowed under this subsection unless it is claimed within the period specified in s. 71.75 (2).

4. No credit may be allowed under this subsection for a taxable year covering a period of less than 12 months, except for a taxable year closed by reason of the death of the taxpayer.
(d) *Administration.* Subsection (9e) (d), to the extent that it applies to the credit under that subsection, applies to the credit under this subsection.

**SECTION 2.** 71.10 (4) (ha) of the statutes is created to read:

71.10 (4) (ha) Emergency responder credit under s. 71.07 (8m).