



**House
Legislative
Analysis
Section**

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**INCOME TAX DEDUCTION:
VOLUNTEER FIREFIGHTER**

**House Bill 4341
Sponsor: Rep. A.T. Frank
Committee: Tax Policy**

Complete to 8-21-01

A SUMMARY OF HOUSE BILL 4341 AS INTRODUCED 2-27-01

The bill would amend the Income Tax Act to allow a deduction for compensation paid to part-paid volunteer firefighters and for time donated by non-paid volunteer firefighters multiplied by the minimum wage. In either case, the deduction from adjusted gross income could not exceed \$10,000. (A deduction reduces the amount of income subject to tax.)

Specifically, for volunteer firefighters identified under the part-paid classification in the Michigan fire incident reporting system, the deduction would be equal to compensation paid in the tax year for services as a volunteer firefighter, not to exceed \$10,000.

For a volunteer firefighter identified under the non-paid classification, an amount equal to the minimum wage multiplied by the total number of hours spent in the tax year on 1) State-of-Michigan certified firefighters training; 2) local fire department training up to six hours per month; 3) business meetings relating directly to firefighting responsibilities; 4) fire runs as supported by state fire marshal reports; and 5) training required for firefighters by a state or federal agency.

MCL 206.30

House Bill 4341 (8-21-01)

Analyst: C. Couch

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.