Active Volunteer Service Tax Rebate

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Act 172 of 2016

- **Act 172 (2016):** This law authorized *municipalities* (cities, boroughs, townships, etc.) to offer tax credits to volunteer firefighters and emergency medical services (EMS) personnel. The initial act's definition of "municipality" did not include school districts.
- **Act 91 (2020):** This later law expanded Act 172 to specifically allow school districts and counties to implement the same volunteer tax credit programs. This gave school districts the same authority as municipalities to offer these tax incentives to volunteers who live within their boundaries

Active Volunteer Service Tax Rebate

The purpose of the **Active Volunteer Service Tax Rebate** is to acknowledge the value and dedication of volunteer fire protection and EMS services provided by active volunteers and to encourage others to become involved as active volunteers within Methacton School District. This rebate provides financial incentives in the form of rebate on real estate taxes levied by Methacton School District.

Montgomery County Rebate

MC offers a full tax credit to qualifying individuals. To qualify for a tax rebate under the Active Volunteer Service Tax Rebate Program an individual must earn a minimum number of points from several defined categories:

- Emergency Response Calls
- Training
- Meetings
- Public Outreach/Recruitment
- Leadership Roles
- Fundraising /Physical/Longevity

Points are tracked by an agency administrator and rebates are issued at 10%, 25%, 50% and 100% of county tax bill based on points obtained.

Proposed Rebate

A proposal was presented jointly by Lower Providence Fire Department and Worcester Volunteer Fire Department requesting rebates to homeowners up to $6,000, for a total revenue loss of roughly $215,000. A rebate of this amount would be a significant recruitment and retention tool.

Two other districts in Montgomery County currently offer rebates of $1,500, based on the criteria set forth in the MC rebate. The criteria to receive the Methacton rebate would be more stringent.

Other incentive offered…

Methacton School District currently offers an Earned Income Tax credit for qualifying fire personnel up to earned income of $100,000 or $500 of credit for each qualifying person.

For the 2024 calendar year 28 credits/refunds were issued totaling $10,354

- 8 for Lower Providence
- 20 for Worcester

Discussion