

Congress of the United States

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CONNECTICUT DELEGATION URGES IRS TO EXPEDITE FIREFIGHTER TAX RELIEF PROCEDURES

WASHINGTON – The entire Connecticut Congressional Delegation sent a letter to the Acting Commissioner of the Internal Revenue Service this week, asking her to clarify filing procedures for new tax rules that will allow volunteer firefighters and first responders to keep more of the benefits they are due.

The change in the tax code stems from legislation the delegation worked hard to pass this year. It effectively changes an IRS ruling that taxed the abatements towns offered to volunteer first responders as income. President Bush signed the bill into law last month.

Although the law takes effect for tax years after December 31, 2007, the delegation believes that clarifying the process now will ease the administrative burden placed on local towns and municipalities. The letter states, “We would respectfully request that the Internal Revenue Service provide guidance on this law as soon as possible. We have already received requests from many constituents and local government officials for guidance.”

“Connecticut’s volunteer first responders protect our communities, families, and friends,” said Senator Chris Dodd, D-CT. **“I hope the Internal Revenue Service will expeditiously provide guidance so our volunteers can receive the benefits they need and deserve.”**

“Volunteer first responders play a critical role in ensuring the safety of communities across Connecticut and, indeed, the nation,” said Senator Lieberman, ID-CT. **“I am proud of the Connecticut Congressional delegation’s leadership in enacting the Volunteer Responder Incentive Protection Act. This measure will ensure that when Connecticut communities abate volunteer first responders’ property taxes, those hometown heroes are not subjected to unfair federal taxes.”**

“Although the first objective of our legislation was to relieve the unfair tax burden placed on volunteer firefighters, we also hoped to make it easier for towns and municipalities to offer tax abatements and benefits to these local heroes. By clarifying the procedures early, we are doing just that. I hope that the Internal Revenue Service will respond quickly and thoroughly to our request,” said Congressman John B. Larson, CT-01.

“The Volunteer Responder Incentive Protection Act will provide local governments with an important tool to recruit and retain volunteer emergency responders and it’s important they have the proper guidance to benefit from the changes this law implements,” said Congressman Chris Shays, CT-04.

“Many of the firefighters and first responders protecting our communities volunteer their services and by minimizing their tax burden, we can offer a small token of our appreciation for their assistance. But to maximize the effectiveness, the IRS needs to begin raising awareness about this new provision as soon as possible,” said Congresswoman Rosa DeLauro, CT-03.

“A tax credit for volunteer firefighters and emergency responders is meaningless without the proper guidance in place to claim the benefit. Our towns and municipalities are already asking for guidance and need time to properly implement this program. The delegation’s early request is an effort to help achieve that. Our volunteer firefighters deserve no less,” stated Congressman Joseph Courtney, CT-02.

“The first step to helping these first responders, who do so much for their communities, was to pass this bill to decrease their tax burden. Now, with IRS clarification we will ensure these current and future first responders can go about getting this well-deserved benefit,” said Congressman Chris Murphy, CT-05.

Please see the attached letter.