

FISCAL NOTE

October 24, 2019

Bill No:	HB 1189	Printer's No:	367	Sponsor:	Owlett
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COST / (SAVINGS)

Fund (s)	2019-20	2020-21
General Fund	See "FISCAL IMPACT"	\$5 million

SUMMARY: HB 1189 amends the Tax Reform Code (TRC) to establish a tax credit for employers of volunteer emergency responders.

ANALYSIS: HB 1189 amends TRC to establish a tax credit for businesses if an employee takes a paid leave related to their work in a volunteer emergency response organization. No business may receive more than \$10,000 annually under this credit, and the overall amount of the credit is capped at \$5 million annually. The credit may not be sold, carried back, or carried forward. However, it may be passed on to shareholders or through a pass-through entity.

Additionally, the Department of Revenue is required to submit an annual report on the effectiveness of this credit program to the Legislature.

HB 1189 takes effect 60 days after passage.

FISCAL IMPACT: The tax credit program established by HB 1189 will lead to a \$5 million annual revenue loss to the General Fund.