

TOWNSHIP OF LOWER MERION

Finance Committee

Issue Briefing

Topic: Real Estate Tax Credit for Firefighter/Ambulance Volunteers

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Date: November 11, 2020

I. Action To Be Considered By The Board:

Adoption of a resolution establishing the 2021 criteria for the Real Estate Tax Credit for volunteer firefighters or volunteer emergency medical service personnel to qualify for the rebate of 2020 Township Real Estate taxes.

II. Why This Issue Requires Board Consideration:

In accord with state enabling legislation and Ordinance No. 4123 adopted by the Board of Commissioners the Board must annually approve criteria for the tax credit program by resolution.

III. Current Policy Or Practice (If Applicable): N/A

IV. Other Relevant Background Information:

On November 15, 2017, the Board of Commissioners adopted Ordinance No. 4123 amending the Code of the Township of Lower Merion, Chapter 78, Fire Prevention, by the addition of a new Article VI, Volunteer Service Credit Program, enacting Real Estate Tax Credits for volunteer members of volunteer fire companies comprising the Lower Merion Fire Department and for volunteer members of Narberth Ambulance. The ordinance requires the Board of Commissioners to establish, by Resolution, the annual criteria that must be met to qualify for credits under the program.

The ordinance grants real estate tax relief which is limited to a 20% Township tax reduction for active volunteer firefighters/ambulance personnel who reside in and own property in the Township. The volunteer fire companies along with Narberth Ambulance were consulted to develop the service related criteria in the resolution.

Credit is only extended to volunteers who are certified to the Firefighter I level, and have accumulated enough points by responding to emergency calls, training and fulfilling other duties for the fire or ambulance company. The officers of the fire/ambulance company must certify which volunteers met that criteria for the previous year. Those volunteers may then apply for the tax credit provided they have paid their Township real estate tax for the year and receive an 20% rebate of the Township tax paid.

This does not affect a great number of our volunteer firefighters or ambulance service volunteers since many do not own property in the Township, however, it serves as one more tool in the effort to recruit and retain volunteers who provide these important emergency services.

V. Impact On Township Finances:

This incentive program is a small cost to help preserve the volunteer fire/ambulance service system in the community. The actual 2021 cost will not be determined until it is verified which volunteers have met the criteria. Thus far in 2020 the Township has processed refunds for 25 of 36 eligible volunteers and the total cost of the refunds was \$4,171 or an average of \$169 per volunteer. In 2019, the Township processed refunds for 24 of 29 eligible volunteers and the total cost of the refunds was \$4,046 or an average of \$169 per volunteer. In 2018, the Township processed refunds for 25 of 28 eligible volunteers and the total cost of the refunds was \$4,043 or an average of \$162 per volunteer.

VI. Staff Recommendation:

Staff recommends that the Board of Commissioners adopt the resolution establishing criteria for volunteer firefighters or volunteer emergency medical service to qualify for the Real Estate Tax Credit for Firefighter/Ambulance Volunteers.