FOR IMMEDIATE RELEASE: September 22, 2004

LARSON WILL TESTIFY BEFORE WAYS AND MEANS COMMITTEE ON BILL TO PROTECT TAX RELIEF FOR VOLUNTEER FIRST RESPONDERS

Larson's Measure Would Prevent IRS From Taxing Local Incentives

WASHINGTON, D.C.- *U.S. Congressman John B. Larson (CT-1) is expected to testify before the House Ways and Means Committee's Subcommittee on Select Revenue Measures on September 23 in support of his legislation, H.R. 1859, to prevent the Internal Revenue Service (IRS) from taxing the local tax incentives awarded to local volunteer firefighters and emergency medical responders for service to their communities. Larson originally introduced the legislation in 2002 and reintroduced the measure last year. Senators Dodd and Lieberman have sponsored companion legislation in the Senate. The subcommittee is devoting time to hearing from members that do not serve on the committee regarding their individual tax proposals.*

Many Connecticut towns offer a property tax abatement made possible through a 1999 state law to volunteer firefighters and emergency medical personnel to assist department with recruitment and retention - which the IRS has begun to count as taxable income. Taxing such incentives may cause them to be discontinued and may contribute to a decline in recruitment and retention of volunteer emergency responders in municipalities with volunteer services.

The following is a draft text of Larson's testimony: