

Detailed Fiscal Analysis

The estimated revenue loss was computed separately for each of the three personnel categories covered. Fairly detailed and comprehensive information was available for auxiliary police officers, and the estimated revenue loss in that category is probably the most precise of the three. A summary of the estimated revenue loss from all three categories is contained in Table 1.

Table 1						
Revenue Losses from the Deduction for Clothing, Equipment, and Training						
Category	Range	Deductible Amount	Average Marginal Tax Rate	Tax Revenue Loss	GRF	LGFs
Auxiliary Police Officer	low	\$2,054,160	4.457%	\$91,554	\$81,941	\$9,613
	high	\$3,765,600	4.457%	\$167,833	\$150,210	\$17,622
Volunteer Firefighter	low	\$3,054,375	4.457%	\$136,133	\$121,839	\$14,294
	high	\$3,616,875	4.457%	\$161,204	\$144,099	\$16,906
Volunteer EMT	low	\$1,368,750	4.457%	\$61,005	\$54,599	\$6,406
	high	\$1,462,500	4.457%	\$65,184	\$58,340	\$6,844
All Covered Volunteers	low	\$6,477,285	4.457%	\$288,693	\$258,380	\$30,313
	high	\$8,844,975	4.457%	\$394,221	\$352,827	\$41,393

The estimated revenue loss would be higher if not for the \$750 cap on deductions. While much of the clothing and gear required for police, firefighters, and EMTs costs less than the cap, the training is often quite expensive, running into the thousands of dollars. For officers who pay for their own training expenses, the cap will limit their deduction.

Finally, while federal law allows an itemized deduction for the cost of work clothes for police and firefighters, this deduction does not affect federal adjusted gross income (FAGI) and thus does not have any impact on Ohio income taxes. Furthermore, the federal deduction is subject to the two-percent of FAGI floor, which means that in practice few auxiliary police, firefighters, or EMTs can take advantage of it.

Auxiliary Police Officers

There are an estimated 20,000 auxiliary police officers in Ohio, or about half of all law enforcement personnel. Roughly 80 percent of auxiliary officers (about 16,000) have full arrest powers and carry a weapon. This means that they have had to take basic training (\$1,500 to \$2,000) and perhaps buy their own weapon (\$350 to \$600). For police officers, most of the job expenses are in training and the initial outfitting, where a number of expensive items must be bought. LBO estimates that the annual cost for an officer after the first year is \$240-\$410, but first year costs, if an officer pays 100 percent of training and equipment expenses, can be \$4,000 to \$5,000.

Based on survey data, about 33 percent of Ohio's auxiliary officers pay all their own expenses, while 30 percent receive partial support and 37 percent are fully reimbursed by their employer. Thus, not quite two-thirds of all auxiliary police officers would benefit S.B.71.

Volunteer Fire Fighters

Based on limited information, LBO estimates that there are about 15,000 volunteer firefighters in Ohio. As with police officers, most of the employee expenses are in training and the initial purchase of gear. While the *Ia* course required of volunteers is only \$150 (plus \$125 for books), the 240 hour Basic Firefighters I and II courses are roughly \$850 plus \$150 in rental equipment. A set of fire-fighting clothing is \$300 to \$350, while gear is \$700 to \$1,000. In richer counties, the fire department often pays for gear for volunteers and sometimes for uniforms as well. However, in some counties, volunteers are responsible for all their clothing and gear, and any training above the *Ia* course.

Emergency Medical Technicians (EMTs)

LBO estimates that there are roughly 5,000 volunteer EMTs in Ohio (a “typical” Ohio fire department has about 75 percent firefighters and 25 percent EMTs). EMTs have the same uniforms as firefighters, but replace clothing more often because of their contact with blood and other bodily fluids. The required basic EMT course, which costs \$325 plus \$100 for books, is generally reimbursed by the fire department. However, a volunteer must generally purchase the paramedic course himself if he desires, at a cost of about \$1,400.

Although there are only one-third as many EMTs as volunteer firefighters, the deduction for EMTs is higher than one-third as much as for firefighters because of higher training and uniform costs.

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