

Final Regulations: Volunteers and the Affordable Care Act
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February 17, 2014

On Monday, February 10, 2014, the Internal Revenue Service (IRS) finalized rules clarifying that volunteers in a government or tax-exempt organization are exempt from the Patient Protection and Affordable Care Act (PPACA). This is great news for the volunteer fire service and for combination fire departments, too.

In summary, hours worked by a volunteer who does not receive (and is not entitled to receive) compensation in exchange for the performance of services are not treated as hours of service for purposes of the PPACA. The final regulations provide that hours of service do not include hours worked as a “bona fide volunteer.” Bona fide volunteers include any volunteer who is an employee of a government entity or an organization described in section 501(c) that is exempt from taxation under section 501(a) whose only compensation from that entity or organization is in the form of (i) reimbursement for (or reasonable allowance for) reasonable expenses incurred in the performance of services by volunteers, or (ii) reasonable benefits (including length of service awards), and nominal fees, customarily paid by similar entities in connection with the performance of services by volunteers. The 20% rule for nominal fees still applies (see the MTAS publication on MORE on volunteer compensation at <http://resource.ips.tennessee.edu/reference/compensation-and-employee-status-volunteer-firefighters> for information on allowable compensation for volunteers).

The definition of volunteer is broad enough to include volunteer firefighters, EMS personnel, CERT participants, Fire Corp participants, and similar members of a fire or emergency services department. Part-time employees (those who receive an hourly rate) are not considered to be volunteers.

A pre-publication copy of the rules is available [here](#), and the sections pertaining to volunteers starts on page 26. Here is a link to the published rules <https://www.federalregister.gov/articles/2014/02/12/2014-03082/shared-responsibility-for-employers-regarding-health-coverage>.