

SENATE ECONOMIC GROWTH COMMITTEE

STATEMENT TO

SENATE, No. 4120

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 22, 2025

The Senate Economic Growth Committee reports favorably and with committee amendments Senate Bill No. 4120.

As amended and reported, this bill provides corporation business and gross income tax credits to taxpayers that employ certain neurodiverse individuals that work in qualifying science, technology, engineering, math, or artificial intelligence fields.

The credit for wages paid to each full-time qualified neurodiverse employee increases in amount depending on the number of consecutive tax periods in which a taxpayer pays wages to the individual, with a maximum benefit per employee as follows: \$7,000 in the first tax period; \$8,000 in the second consecutive tax period; and \$9,000 in the third and following consecutive taxable years. The credit amount for wages paid to a part-time employee is not to exceed \$4,500 per employee in any tax period. The director is to approve the issuance of no more than \$10 million in tax credits under the bill during any calendar year.

The bill requires the Director of the Division of Vocational Rehabilitation Services in the Department of Labor and Workforce Development (director) to certify that an individual works in a qualifying role and is considered to be neurodiverse in accordance with guidelines to be issued jointly by the director and the Assistant Commissioner of the Division of Developmental Disabilities in the Department of Human Services.

COMMITTEE AMENDMENTS:

The committee amended the bill to:

(1) provide that the director may approve the issuance of no more than \$10 million in tax credits under the bill during any calendar year;

(2) require that the guidelines to be used in the determination of an individual's eligibility as a qualified neurodiverse employee be issued jointly by the director and the Assistant Commissioner of the Division of Developmental Disabilities in the Department of Human Services. As introduced, the bill would have required the guidelines to be issued solely by the director;

(3) require that the rules and regulations to be issued by the director, in consultation with the Director of the Division of Taxation,

also be issued in consultation with the Assistant Commissioner of the Division of Developmental Disabilities in the Department of Human Services; and

(4) make technical changes to the bill.