

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 4390

STATE OF NEW JERSEY
222nd LEGISLATURE

DATED: JULY 2, 2026

SUMMARY

- Synopsis:** "End Data Center Tax Credits Act"; reduces tax credits available for Next New Jersey Program.
- Type of Impact:** State revenue reallocation.
- Agencies Affected:** New Jersey Economic Development Authority.

Office of Legislative Services Estimate

Fiscal Impact	
State Revenue Reallocation	\$250.0 million

- The Office of Legislative Services (OLS) determines that reducing the amount of tax credits available for the Next New Jersey Program will not have a fiscal impact on State revenues, nor generate additional State revenues.
- Reducing the amount of tax credits available for the Next New Jersey Program reallocates the tax credits back to the New Jersey Aspire Program and the Emerge Program. Thus, the actual fiscal impact of the bill will depend on credit utilization under these programs.

BILL DESCRIPTION

This bill, designated as the End Data Center Tax Credits Act, reduces the tax credits available for the Next New Jersey Program by \$250 million.

Under current law, the total value of tax credits available under the Next New Jersey Program is \$500 million for certain projects related to the development of artificial intelligence or data centers. This bill reduces the total amount of tax credits available under the Next New Jersey Program by \$250 million.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS determines that reducing the amount of tax credits available for the Next New Jersey Program will not have a fiscal impact on State revenues, nor would the reduction generate additional State revenues.

Under current law, the tax credits available for the Next New Jersey Program are apportioned from the amount initially allocated to the New Jersey Aspire Program and the Emerge Program. By reducing the amount of tax credits available for the Next New Jersey Program, the bill reallocates the tax credits back to the Aspire and Emerge programs. Thus, the bill does not reduce the cumulative amount of tax credits authorized under current law and does not result in any direct increase in State revenues. The actual fiscal impact of the bill will depend on credit utilization under Aspire and Emerge.

Additionally, as of May 2026, the New Jersey Economic Development Authority has awarded \$250 million in tax credits to one project under the Next New Jersey program, which is not impacted by this bill.

Section: Revenue, Finance and Appropriations
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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).