

ASSEMBLY, No. 3649

STATE OF NEW JERSEY 215th LEGISLATURE

INTRODUCED JANUARY 8, 2013

Sponsored by:

Assemblywoman LINDA STENDER

District 22 (Middlesex, Somerset and Union)

Assemblyman TROY SINGLETON

District 7 (Burlington)

Assemblyman JERRY GREEN

District 22 (Middlesex, Somerset and Union)

Co-Sponsored by:

Assemblyman Diegnan

SYNOPSIS

Provides homestead owners gross income tax deduction for certain water supply and sewerage charges.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT providing homestead owners a gross income tax deduction
2 for certain water supply and sewerage charges, supplementing
3 chapter 3 of Title 54A of the New Jersey Statutes.

4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*

7
8 1. A taxpayer shall be allowed to deduct from gross income
9 amounts paid by the taxpayer during the taxable year for rents,
10 rates, fees, or other charges for direct or indirect connection with, or
11 for the use or service of, a water supply system or sewerage system,
12 or both, that is provided by a municipality that recovers the cost of
13 those services by billing service recipients directly rather than
14 through local property tax assessments; or that is provided by an
15 entity other than a municipality, such as a utility, authority or
16 private company, to the extent that such connection, use or service
17 pertains to the taxpayer's homestead.

18 As used in this section:

19 "Homestead" means a homestead as defined under section 2 of
20 P.L.1996, c.60 (C.54A:3A-16).

21
22 2. This act shall take effect immediately and apply to taxable
23 years beginning on or after the January 1 next following enactment.

24
25
26 STATEMENT

27
28 This bill provides resident homestead owners a gross income tax
29 deduction for certain water supply and sewerage charges. Under
30 the bill, a taxpayer may deduct from gross income amounts paid for
31 water and sewerage charges if the services are provided by a
32 municipality that recovers the cost by billing service recipients
33 directly rather than through local property tax assessments; or if the
34 services are provided by an entity other than a municipality, such as
35 a utility, authority or private company.

36 This bill will help taxpayers pay for the increasing cost of water
37 and sewerage services.