

ASSEMBLY, No. 5609

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED JUNE 17, 2019

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SYNOPSIS

Increases gross income tax deduction available to veterans from \$3,000 to \$6,000.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 6/21/2019)

1 AN ACT increasing the gross income tax deduction available to
2 veterans, amending N.J.S.54A:3-1.

3

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

6

7 1. N.J.S.54A:3-1 is amended to read as follows:

8 54A:3-1. Personal exemptions and deductions. Each taxpayer
9 shall be allowed personal exemptions and deductions against his
10 gross income as follows:

11 (a) Taxpayer. Each taxpayer shall be allowed a personal
12 exemption of \$1,000.00 which may be taken as a deduction from his
13 New Jersey gross income.

14 (b) Additional exemptions. In addition to the personal
15 exemptions allowed in (a), the following additional personal
16 exemptions shall be allowed as a deduction from gross income:

17 1. For the taxpayer's spouse, or domestic partner as defined in
18 section 3 of P.L.2003, c.246 (C.26:8A-3), who does not file
19 separately - \$1,000.00.

20 2. For each dependent who qualifies as a dependent of the
21 taxpayer during the taxable year for federal income tax purposes -
22 \$1,500.00.

23 3. Taxpayer 65 years of age or over at the close of the taxable
24 year - \$1,000.00.

25 4. Taxpayer's spouse 65 years of age or over at the close of the
26 taxable year - \$1,000.00.

27 5. Blind or disabled taxpayer - \$1,000.00.

28 6. Blind or disabled spouse - \$1,000.00.

29 7. Taxpayer who is a veteran honorably discharged or released
30 under honorable circumstances from active duty in the Armed
31 Forces of the United States, a reserve component thereof, or the
32 National Guard of New Jersey in a federal active duty status, as
33 those terms are used in N.J.S.38A:1-1 - **[\$3,000]** \$6,000.

34 (c) Special Rule. The personal exemptions allowed under this
35 section shall be limited to that percentage which the total number of
36 months within a taxpayer's taxable year under this act bears to 12.
37 For this purpose 15 days or more shall constitute a month.

38 (d) (Deleted by amendment, P.L.1993, c.178).

39 (e) Nonresidents. For taxable years to which a certification
40 pursuant to section 3 of P.L.1993, c.320 (C.54A:2-1.2) applies, a
41 nonresident taxpayer shall be allowed the same deduction for
42 personal exemptions as a resident taxpayer. However, if (1) the
43 nonresident taxpayer's gross income which is subject to tax under
44 this act is exceeded by (2) the gross income which the nonresident
45 taxpayer would be required to report under this act if the taxpayer

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 were a resident by more than \$100.00, the taxpayer's deduction for
2 personal exemptions shall be limited by the percentage which (1) is
3 to (2).

4 (cf: P.L.2016, c.57, s.8)

5

6 2. This act shall take effect immediately and apply to taxable
7 years beginning on or after January 1, 2019.

8

9

10 STATEMENT

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12 This bill increases the gross income tax deduction available to
13 veterans to \$6,000.

14 Currently, veterans who are honorably discharged or released
15 under honorable circumstances from active duty in the Armed
16 Forces of the United States, a reserve component, or the National
17 Guard of New Jersey in a federal active duty status, are eligible to
18 deduct \$3,000 from their income for purposes of calculating their
19 State gross income tax liability.