

ASSEMBLY, No. 6075

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED DECEMBER 9, 2019

Sponsored by:

Assemblywoman CAROL A. MURPHY

District 7 (Burlington)

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

Assemblywoman PAMELA R. LAMPITT

District 6 (Burlington and Camden)

Co-Sponsored by:

Assemblyman Benson, Assemblywomen Vainieri Huttie and Mosquera

SYNOPSIS

“Lindsay’s Law”; provides tax benefits to organ and bone marrow donors and their employers, and provides paid time off to donors who are State or local government employees.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 1/14/2020)

1 AN ACT concerning incentives for organ and bone marrow
2 donation, designated as Lindsay's Law, supplementing various
3 parts of the statutory law.

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

7
8 1. A State employee, employee of a political subdivision of the
9 State, or employee of an agency, authority, or instrumentality
10 thereof, in the career, unclassified, or senior executive service shall
11 be granted a leave of absence with pay and without loss of rights,
12 privileges or benefits, for the purpose of donating one or more of
13 their human organs, or a part thereof, or bone marrow to another
14 human for human organ transplantation. The paid leave shall be up
15 to 30 days for the donation of an organ or a part of an organ and up
16 to five days for the donation of bone marrow, and shall be in
17 addition to any other type of leave to which an employee may be
18 entitled.

19
20 2. An employee holding any office, position, or employment in
21 local school district, regional school district, or county vocational
22 school of the State who is steadily employed by the board of
23 education or who is protected by tenure in the office, position, or
24 employment under the provisions of any law, except a person in the
25 classified service of the civil service under Title 11A of the New
26 Jersey Statutes, shall be granted a leave of absence with pay and
27 without loss of rights, privileges or benefits, for the purpose of
28 donating one or more of their human organs, or a part thereof, or
29 bone marrow to another human for human organ transplantation.
30 The paid leave shall be up to 30 days for the donation of an organ
31 or a part of an organ and up to five days for the donation of bone
32 marrow, and shall be in addition to any other type of leave to which
33 an employee may be entitled.

34
35 3. An employee holding any office, position, or employment in
36 a political subdivision of the State, or an agency, authority or
37 instrumentality thereof, that has not adopted the provisions of Title
38 11A of the New Jersey Statutes, shall be granted a leave of absence
39 with pay and without loss of rights, privileges or benefits, for the
40 purpose of donating one or more of their human organs, or a part
41 thereof, or bone marrow to another human for human organ
42 transplantation. The paid leave shall be up to 30 days for the
43 donation of an organ or a part of an organ and up to five days for
44 the donation of bone marrow, and shall be in addition to any other
45 type of leave to which an employee may be entitled.

46
47 4. a. A taxpayer shall be allowed to deduct from gross income
48 up to \$10,000 of unreimbursed expenses specified in subsection b.

1 of this section if the taxpayer or the taxpayer's dependent donates
2 one or more of their human organs, or a part thereof, or bone
3 marrow to another human for human organ transplantation.

4 b. The deduction allowed pursuant to this section may be
5 claimed only for reasonable unreimbursed travel expenses, lodging
6 expenses, and lost wages that are related to the donation and are
7 incurred by the taxpayer in the taxable year.

8 c. The deduction allowed pursuant to this section shall be
9 claimed in the taxable year in which the human organ
10 transplantation occurs, except that any expenses specified in
11 subsection b. of this section that are incurred in the previous or
12 subsequent taxable year shall be claimed in the taxable year in
13 which the expenses are incurred, but the combined amount deducted
14 shall not exceed \$10,000.

15

16 5. a. A taxpayer that employs a person who missed time from
17 work during the taxable year because the person donated one or
18 more of the person's human organs, or a part thereof, or bone
19 marrow to another human for human organ transplantation, shall be
20 allowed a credit against the tax otherwise due for the taxable year
21 under the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et
22 seq., in an amount equal to 25 percent of the person's salary during
23 the time missed from work, for up to 30 days of missed work for
24 each donation.

25 A taxpayer shall only be allowed this credit for the time that the
26 taxpayer grants the person paid time off and only if such time is in
27 addition to any other paid time off granted to the person.

28 b. The order of priority of the application of the credit allowed
29 pursuant to this section and any other credits allowed pursuant to
30 the "New Jersey Gross Income Tax Act" N.J.S.54A:1-1 et seq. for a
31 taxable year shall be as prescribed by the director. The amount of
32 the credit applied under this section against the tax imposed for a
33 taxable year, together with any other credits allowed by law, shall
34 not reduce the tax liability to an amount less than zero.

35 c. A business entity that is classified as a partnership for
36 federal income tax purposes shall not be allowed the credit directly,
37 but the amount of credit of a taxpayer in respect of a distributive
38 share of partnership income shall be determined by allocating to the
39 taxpayer that proportion of the credit acquired by the partnership
40 that is equal to the taxpayer's share, whether or not distributed, of
41 the total distributive income or gain of the partnership for its
42 taxable year ending within or with the taxpayer's taxable year. Any
43 remaining credit shall not be carried forward to another taxable
44 year.

45 A taxpayer that is a New Jersey S corporation shall not be
46 allowed the credit directly, but the amount of credit of a taxpayer in
47 respect of a pro rata share of S corporation income shall be

1 determined by allocating to the taxpayer that proportion of the
2 credit acquired by the New Jersey S corporation that is equal to the
3 taxpayer's share, whether or not distributed, of the total pro-rata
4 share of S corporation income of the New Jersey S corporation for
5 its privilege period ending within or with the taxpayer's taxable
6 year.

7
8 6. a. A taxpayer that employs a person who missed time from
9 work because the person donated one or more of the person's
10 human organs, or a part thereof, or bone marrow to another human
11 for human organ transplantation, shall be allowed a credit against
12 the tax imposed pursuant to section 5 of P.L.1945, c.162
13 (C.54:10A-5), in an amount equal to 25 percent of the person's
14 salary during the time missed from work, for up to 30 days of
15 missed work for each donation.

16 A taxpayer shall only be allowed this credit for the time that the
17 taxpayer grants the person paid time off and only if such time is in
18 addition to any other paid time off granted to the person.

19 b. A taxpayer shall apply the credit allowed pursuant to this
20 section to the privilege period during which the person missed time
21 from work.

22 c. The director shall prescribe the order of priority of the
23 application of the credit allowed under this section and any other
24 credits allowed by law against the tax imposed under section 5 of
25 P.L.1945, c.162 (C.54:10A-5). The amount of the credit applied
26 under this section against the tax imposed pursuant to section 5 of
27 P.L.1945, c.162 (C.54:10A-5) for a privilege period, together with
28 any other credits allowed by law, shall not reduce the tax liability to
29 an amount less than the statutory minimum provided in subsection
30 (e) of section 5 of P.L.1945, c.162 (C.54:10A-5). Any remaining
31 credit shall not be carried forward to another privilege period.

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33 7. This act shall take effect 120 days following enactment.

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STATEMENT

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38 This bill provides tax benefits to people that donate an organ or
39 bone marrow, and paid time off to donors who are State or local
40 government employees. In addition, the bill provides a tax credit to
41 employers of donors who miss time from work.

42 The bill grants all State and local government employees,
43 including public school employees, a leave of absence with pay for
44 donating an organ or bone marrow to another person. The paid
45 leave is up to 30 work days for an organ donation and up to five
46 work days for a bone marrow donation.

47 According to the United Network for Organ Sharing, organ
48 donors typically spend between four to seven days in the hospital

1 following their donation. On average, donors can return to normal
2 activities one month following their donation and can return to
3 work approximately six weeks following their donation. According
4 to the National Marrow Donor Program, it typically takes one to
5 seven days for a bone marrow donor to return to work, school, and
6 most other activities following their donation.

7 Pursuant to the bill, taxpayers may deduct up to \$10,000 of
8 unreimbursed expenses incurred for their own, or a dependent's,
9 organ or bone marrow donation.

10 In addition, employers of donors are granted a tax credit equal to
11 25 percent of the donor's salary during the time missed from work,
12 for up to 30 work days. An employer is only eligible for the credit if
13 the employer gives the employee paid time off specifically for the
14 donation and only for those days that are paid time off. For
15 example, if the employer gives 10 days of paid time off for the
16 donation, then the employer would be eligible to claim a credit
17 equal to 25 percent of the donor's salary for those 10 days.

18 The bill is designated as "Lindsay's Law" in honor of Lindsay
19 Clark, a kidney donor and resident of Pine Hill, New Jersey.