

[First Reprint]

# ASSEMBLY RESOLUTION No. 97

## STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED FEBRUARY 1, 2018

**Sponsored by:**

**Assemblywoman CLEOPATRA G. TUCKER**

**District 28 (Essex)**

**Assemblywoman NANCY J. PINKIN**

**District 18 (Middlesex)**

**Assemblywoman VALERIE VAINIERI HUTTLE**

**District 37 (Bergen)**

**Co-Sponsored by:**

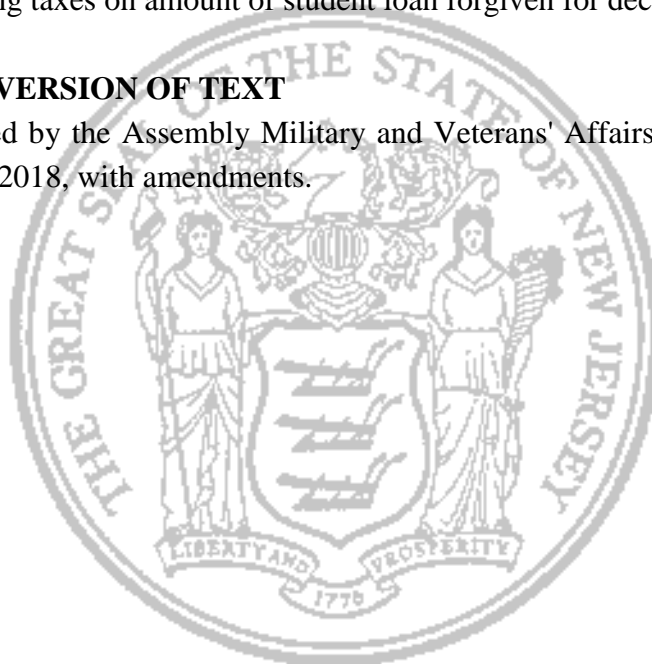
**Assemblywoman Gove, Assemblyman Rumpf, Assemblywoman McKnight  
and Assemblyman McKeon**

**SYNOPSIS**

Urges President and Congress of US to enact H.R. 500 which prevents IRS from collecting taxes on amount of student loan forgiven for deceased veterans.

**CURRENT VERSION OF TEXT**

As reported by the Assembly Military and Veterans' Affairs Committee on February 12, 2018, with amendments.



**(Sponsorship Updated As Of: 11/26/2019)**

1 AN ASSEMBLY RESOLUTION urging the President and Congress to  
2 enact <sup>1</sup>**[H.R. 2874]** H.R. 500<sup>1</sup> which prevents the IRS from  
3 collecting taxes on any amount of student loan forgiven for  
4 deceased veterans.

5  
6 **WHEREAS**, Each member of the United States Armed Forces serves  
7 our country to protect the citizens of the United States and, in 2015,  
8 there were over one million active duty members of the Armed  
9 Forces; and

10 **WHEREAS**, If a service member sustains an injury or illness while on  
11 active duty they may be discharged and return home to pursue  
12 higher educational opportunities; and

13 **WHEREAS**, Many service members embrace the opportunity to pursue  
14 higher education through the various tuition assistance programs  
15 and college funds offered to service members, which may be used  
16 in combination with federal and private student loans to pay for the  
17 cost of college; and

18 **WHEREAS**, If a service member loses his or her life as a result of an  
19 injury or illness sustained while on active duty, the federal  
20 education loans are forgiven under the Higher Education Act and  
21 private loan companies can choose to forgive the education loans;  
22 and

23 **WHEREAS**, When an educational loan is forgiven the Internal Revenue  
24 Code categorizes the amount of the loan as taxable gross income for  
25 a cosigner on the loan, which can include both family and friends of  
26 the deceased service member; and

27 **WHEREAS**, Taxing loan forgiveness as income can be burdensome to  
28 family members and friends especially during a time when they are  
29 grieving the loss of their loved one; and

30 **WHEREAS**, Families of veterans who lost their lives as a result of an  
31 illness or injury sustained while serving on active duty have already  
32 sacrificed so much for the United States; and

33 **WHEREAS**, The federal bill <sup>1</sup>**[H.R. 2874]** H.R.500<sup>1</sup>, named the  
34 “Andrew P. Carpenter Tax Act,” would amend the Internal  
35 Revenue Code to prevent the Internal Revenue Service from  
36 collecting taxes on any amount of student loan forgiven; and

37 **WHEREAS**, The federal bill will help to ease the financial burden for  
38 individuals who are already grieving for the loss of their loved one;  
39 now, therefore,

40  
41 **BE IT RESOLVED** by the General Assembly of the State of New  
42 Jersey:

43  
44 1. This House respectfully urges the President and Congress of  
45 the United States to enact <sup>1</sup>**[H.R. 2874]** H.R.500<sup>1</sup> which amends the

**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.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Assembly AMV committee amendments adopted February 12, 2018.

**AR97 [1R] TUCKER, PINKIN**

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1 Internal Revenue Code to prevent the Internal Revenue Service from  
2 collecting taxes on any amount of student loan forgiven for deceased  
3 veterans.

4

5 2. Copies of this resolution, as filed with the Secretary of State,  
6 shall be transmitted by the Clerk of the General Assembly to the  
7 President and Vice President of the United States, the United States  
8 Secretary of Defense, the Majority and Minority Leader of the  
9 United States Senate, the Speaker and the Minority Leader of the  
10 United States House of Representatives, and every member of  
11 Congress from New Jersey.