

SENATE, No. 129

STATE OF NEW JERSEY 218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

Sponsored by:

Senator KRISTIN M. CORRADO

District 40 (Bergen, Essex, Morris and Passaic)

Senator SHIRLEY K. TURNER

District 15 (Hunterdon and Mercer)

Senator JEFF VAN DREW

District 1 (Atlantic, Cape May and Cumberland)

Co-Sponsored by:

**Senators Cruz-Perez, Bateman, Holzapfel, Madden, Brown, A.R.Bucco,
Sarlo and Addiego**

SYNOPSIS

Excludes Armed Services combat zone pay from gross income taxation.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 2/6/2018)

1 AN ACT excluding United States Armed Forces combat zone pay
2 from gross income taxation, and supplementing Title 54A of the
3 New Jersey Statutes.

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

7
8 1. Gross income shall not include amounts received as combat
9 zone compensation by members of the Armed Forces of the United
10 States that is excluded from federal taxable income pursuant to
11 section 112 of the federal Internal Revenue Code of 1986 (26
12 U.S.C. s.112).

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14 2. This act shall take effect immediately and apply to taxable
15 years beginning on or after January 1 next following the date of
16 enactment.

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19 STATEMENT

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21 This bill excludes military pay for service in a combat zone or
22 for hospitalization as the result of injury while serving in a combat
23 zone from taxable gross income under the New Jersey gross income
24 tax.

25 The bill uses federal definitions of combat zone pay to exclude
26 from New Jersey taxation the same pay that is excluded from
27 federal income taxation. A combat zone is any area the President of
28 the United States designates by Executive Order as an area in which
29 the U.S. Armed Forces are engaging or have engaged in combat. An
30 area usually becomes a combat zone and ceases to be a combat zone
31 on the dates the President designates by Executive Order.