

ASSEMBLY, No. 266

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblyman JOHN ARMATO

District 2 (Atlantic)

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SYNOPSIS

Eliminates veterans' gross income tax deduction requirement that New Jersey National Guard member serve in federal active duty status.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** eliminating the veterans' gross income tax deduction
2 requirement that a New Jersey National Guard member serve in
3 federal active duty status, and amending N.J.S.54A:3-1.

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

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

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

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

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

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

21 2. For each dependent who qualifies as a dependent of the
22 taxpayer during the taxable year for federal income tax purposes -
23 \$1,500.00.

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

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

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

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

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

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

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

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

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 taxpayer would be required to report under this act if the taxpayer
2 were a resident by more than \$100.00, the taxpayer's deduction for
3 personal exemptions shall be limited by the percentage which (1) is
4 to (2).

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

6
7 2. This act shall take effect immediately and apply to taxable
8 years beginning on or after January 1 next following the date of
9 enactment.

10
11
12 STATEMENT

13
14 This bill eliminates the requirement that a New Jersey National
15 Guard member serve in federal active duty status in order to qualify
16 for the veterans' gross income tax deduction.

17 A member of the New Jersey National Guard, who has been
18 honorably discharged or otherwise been released under honorable
19 circumstances, may claim a gross income tax deduction of \$3,000
20 per taxable year. Under this bill, this veterans' gross income tax
21 deduction is available regardless of whether the servicemember
22 claiming the deduction was, at any point, called up for federal
23 active duty status (meaning military service under the jurisdiction
24 of the United States Secretary of Defense pursuant to 10 U.S.C.
25 s.1209).

26 This bill honors the service of the men and woman who enlist in
27 the New Jersey National Guard. These servicemembers, as with all
28 members of our armed forces, dedicate their time, make personal
29 sacrifices, and incur costs for the benefit of the State and its
30 residents. Accordingly, these servicemembers deserve the same
31 honor, recognition, and tax relief already afforded under State law
32 to veterans of other military branches.