ASSEMBLY, No. 690

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:
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SYNOPSIS

Excludes from income for gross income tax and PAAD eligibility purposes victims' remuneration for involuntary internment received under judgments or settlement agreements.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.

AN ACT excluding remuneration to victims of involuntary internment from income for gross income tax and PAAD eligibility purposes, supplementing Title 54A of the New Jersey Statutes and P.L.1975, c.194 (C.30:4D-20 et seq.).

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

1. Gross income shall not include amounts received as remuneration, including but not limited to compensatory and punitive damages, received under a judgment or settlement agreement from any jurisdiction, which compensate a victim of an involuntary internment. As used in this section, "involuntary internment" means the detaining and interning of an individual by another party against the will of the individual. Any accumulated earnings or accrued interest distributed under any such judgment or settlement agreement shall not be included in gross income.

2. Amounts received as remuneration, including but not limited to compensatory and punitive damages, received under a judgment or settlement agreement from any jurisdiction, which compensate a victim of an involuntary internment; and any accumulated or accrued interest on such amounts shall not be counted as income for the purpose of determining eligibility for the Pharmaceutical Assistance to the Aged and Disabled program established pursuant to P.L.1975, c.194 (C.30:4D-20 et seq.). As used in this section, "involuntary internment" means the detaining and interning of an individual by another party against the will of the individual.

3. This act shall take effect immediately and apply to amounts received after enactment.

STATEMENT

This bill changes income standards in the law establishing the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program and the New Jersey gross income tax to exempt amounts received as remuneration, including but not limited to compensatory and punitive damages, received under a judgment or settlement agreement from any jurisdiction, which compensate a victim of an involuntary internment. Any accumulated earnings or accrued interest distributed under any such judgment or settlement agreement are also excluded from gross income and from income for the purpose of determining eligibility for the Pharmaceutical Assistance to the Aged and Disabled program. The term involuntary internment is intended to be broadly interpreted and will cover remuneration paid to victims that were subject to inhumane abuse and suffering under a variety of circumstances, including persons victimized under conditions of forced labor.