ASSEMBLY, No. 803

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

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District 35 (Bergen and Passaic)
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SYNOPSIS

Exempts discharge of student loan debt of certain veterans through the federal Total and Permanent Disability discharge process from taxation under the gross income tax.

CURRENT VERSION OF TEXT

As reported by the Assembly Military and Veterans' Affairs Committee with technical review.

(Sponsorship Updated As Of: 10/29/2020)

AN ACT concerning the gross income tax treatment of certain discharged student loan indebtedness of disabled veterans and supplementing chapter 6 of Title 54A of the New Jersey Statutes.

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

1. Gross income shall not include amounts discharged through the Total and Permanent Disability discharge process of the United States Department of Education for student loan indebtedness of a taxpayer who is a totally and permanently disabled veteran. As used herein, "totally and permanently disabled veteran" means an individual who has been determined by the United States Department of Veterans Affairs to have a service-connected disability that is 100 percent disabling or to be totally disabled based on an individual unemployability rating.

2. This act shall take effect immediately.