

**ASSEMBLY, No. 1169**

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**STATE OF NEW JERSEY**

**219th LEGISLATURE**

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PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

**Sponsored by:**

**Assemblyman ROY FREIMAN**

**District 16 (Hunterdon, Mercer, Middlesex and Somerset)**

**Assemblywoman LISA SWAIN**

**District 38 (Bergen and Passaic)**

**Assemblyman ERIC HOUGHTALING**

**District 11 (Monmouth)**

**Co-Sponsored by:**

**Assemblyman Tully, Assemblywoman Downey, Assemblyman Benson and**

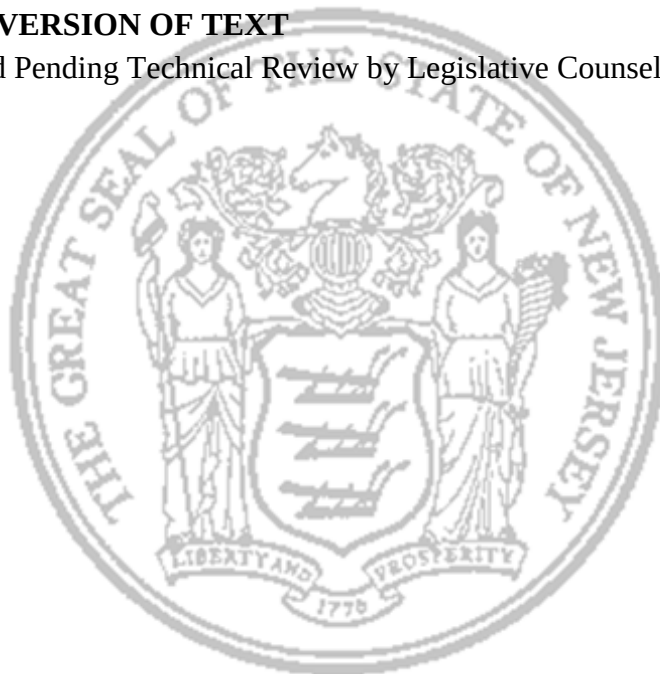
**Assemblywoman Speight**

**SYNOPSIS**

Provides gross income tax credit to certain taxpayers who pay for certain in-home services through health care service firm.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



**(Sponsorship Updated As Of: 6/1/2021)**

1   **AN ACT** providing a gross income tax credit to certain taxpayers  
2       who pay for certain services to be provided at their residence  
3       through a health care service firm, supplementing Title 54A of  
4       the New Jersey Statutes.

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

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9       1.   a.   A taxpayer with gross income of less than \$150,000 for  
10       the taxable year shall be allowed a credit against the tax otherwise  
11       due under the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1  
12       et seq., in an amount equal to 20 percent of the expenses incurred  
13       by the taxpayer during the taxable year for having an individual  
14       employed, placed, or arranged to be placed by a health care service  
15       firm to provide in-home companion services, health care services,  
16       or personal care services to the taxpayer at the taxpayer's residence.  
17       The credit shall only be available to a taxpayer who is permanently  
18       and totally disabled or is age 65 or older.

19       b.   Expenses incurred during a taxable year by a taxpayer shall  
20       not include any amounts reimbursed or paid by an insurance  
21       company.

22       c.   The amount of the credit allowed pursuant to this section  
23       shall be applied against the tax otherwise due under the "New  
24       Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., after all other  
25       credits and payments. If the credit exceeds the amount of tax  
26       liability otherwise due, that amount of excess shall be an  
27       overpayment for the purposes of N.J.S.54A:9-7, provided, however,  
28       that subsection (f) of N.J.S.54A:9-7 shall not apply.

29       d.   As used in this section:

30       "Companion services" means non-medical, basic supervision and  
31       socialization services which do not include assistance with activities  
32       of daily living, and which are provided in the individual's home.  
33       Companion services may include the performance of household  
34       chores.

35       "Health care service firm" means an entity registered as a health  
36       care service firm pursuant to section 1 of P.L.2002, c.126 (C.34:8-  
37       45.1).

38       "Health care services" means any services rendered for the  
39       purpose of maintaining or restoring an individual's physical or  
40       mental health or any health-related services, and for which a license  
41       or certification is required as a pre-condition to the rendering of  
42       such services.

43       "Permanently and totally disabled" means total and permanent  
44       inability to engage in any substantial gainful activity by reason of  
45       any medically determinable physical or mental impairment,  
46       including blindness.

47       "Personal care services" means services performed by licensed  
48       or certified personnel for the purpose of assisting an individual with

1 activities of daily living that may involve physical contact.  
2 Services include, but are not limited to, bathing, toileting,  
3 transferring, dressing, grooming, and assistance with ambulation,  
4 exercise, or other aspects of personal hygiene.

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

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#### STATEMENT

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13 This bill provides a refundable gross income tax credit to a  
14 taxpayer who has gross income of less than \$150,000 for the taxable  
15 year and who pays a health care service firm to have an individual  
16 employed, placed, or arranged to be placed at the residence of the  
17 taxpayer to provide in-home companion services, health care  
18 services, or personal care services. This credit is only available to  
19 those taxpayers who are permanently and totally disabled or who  
20 are age 65 or older.

21 In calculating the credit amount, the credit is limited to 20  
22 percent of relevant expenses incurred by the taxpayer during the  
23 taxable year, and expenses that have been reimbursed or paid by an  
24 insurance company are to be excluded and cannot be claimed.