

ASSEMBLY, No. 3516

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED FEBRUARY 25, 2020

Sponsored by:

Assemblyman WILLIAM F. MOEN, JR.

District 5 (Camden and Gloucester)

SYNOPSIS

Grants gross income tax deduction to mental health care professionals providing services in the State.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT granting a gross income tax deduction to mental health
2 care professionals providing services in the State, amending
3 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
14 **his** 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 - \$6,000.

35 8. Mental health care professional, as defined in section 3 of
36 P.L.2005, c.233 (C.26:2H-104), that provided mental health care
37 services in the State during the taxable year - \$1,000.00.

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

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

43 (e) Nonresidents. For taxable years to which a certification
44 pursuant to section 3 of P.L.1993, c.320 (C.54A:2-1.2) applies, a
45 nonresident taxpayer shall be allowed the same deduction for

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 personal exemptions as a resident taxpayer. However, if (1) the
2 nonresident taxpayer's gross income which is subject to tax under
3 this act is exceeded by (2) the gross income which the nonresident
4 taxpayer would be required to report under this act if the taxpayer
5 were a resident by more than \$100.00, the taxpayer's deduction for
6 personal exemptions shall be limited by the percentage which (1) is
7 to (2).
8 (cf: P.L.2019, c.146)

9
10 2. This act shall take effect immediately.

11
12
13
14
15

STATEMENT

16 This bill allows a deduction of \$1,000 from gross income to
17 mental health care professionals who provided services in the State
18 during the year. "Mental health care professional" means a taxpayer
19 licensed or certified by the State to provide or administer mental
20 health care.

21 Gross income is the starting total from which taxpayers calculate
22 their income tax liability. A deduction from gross income lowers
23 the starting total and therefore lowers the taxpayer's liability. It is
24 the sponsor's hope that this deduction will incentivize more people
25 to become mental health care professionals and will incentivize
26 mental health care professionals to practice in the State.