

ASSEMBLY, No. 5716

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MAY 17, 2021

Sponsored by:

Assemblywoman SERENA DIMASO

District 13 (Monmouth)

SYNOPSIS

Allows gross income tax credit for volunteer emergency services and volunteer work.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT allowing a gross income tax credit for volunteer emergency
2 services and volunteer work, supplementing Title 54A of the
3 New Jersey Statutes.

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

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8 1. a. A taxpayer shall be allowed a credit against the tax
9 otherwise due under the “New Jersey Gross Income Tax Act,”
10 N.J.S.54A:1-1 et seq., for volunteer emergency services and
11 volunteer work. The amount of the credit shall be \$100 for every
12 40- hour increment of the taxpayer’s volunteer emergency services
13 or volunteer work, or both, during the taxable year, up to \$2,000.

14 b. As used in this section:

15 “Volunteer emergency services” means unpaid direct
16 participation, whether as a trainee or otherwise, in an emergency
17 services organization’s efforts to provide emergency medical care,
18 rescue services, transport for patients, or fire protection services;

19 “Volunteer work” means unpaid activity, whether as a trainee or
20 otherwise, performed for an organization that is exempt from
21 federal income tax pursuant to section 501(c)(3) of the Internal
22 Revenue Code of 1986 (26 U.S.C. s.501(c)(3)).

23 c. The order of priority of the application of the credit allowed
24 pursuant to this section and any other credits allowed pursuant to
25 the “New Jersey Gross Income Tax Act” N.J.S.54A:1-1 et seq. for a
26 taxable year shall be as prescribed by the director. The amount of
27 the credit applied under this section against the tax imposed for a
28 taxable year, together with any other credits allowed by law, shall
29 not reduce the taxpayer’s tax liability to an amount less than zero.

30 d. To be eligible for a credit pursuant to this section, a taxpayer
31 shall obtain certification from each organization for which the
32 taxpayer performed volunteer emergency services or volunteer
33 work, which certification shall note the number of hours that the
34 taxpayer performed volunteer emergency services or volunteer work
35 for that organization during the taxable year. The director is
36 authorized to promulgate procedures and forms by which a taxpayer
37 may submit the certification to the director.

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

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44 STATEMENT

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46 This bill allows gross income taxpayers to claim a credit against
47 their tax liability if they perform volunteer emergency services or
48 volunteer work during the tax year.

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1 The credit amount is \$100 for every 40-hour increment of
2 volunteer emergency services and volunteer work, but the credit
3 cannot exceed \$2,000. “Volunteer work” is unpaid activity for a
4 501(c)(3) organization, and “volunteer emergency services” is
5 unpaid direct participation in an emergency services organization’s
6 efforts to provide emergency medical care, rescue services,
7 transport for patients, or fire protection services.

8 To be eligible for the credit, a taxpayer will be required to obtain
9 certification from each organization for which the taxpayer
10 volunteered, which certification is required to note the number of
11 hours that the taxpayer volunteered for that organization.