

SENATE, No. 658

STATE OF NEW JERSEY
219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Senator SAMUEL D. THOMPSON

District 12 (Burlington, Middlesex, Monmouth and Ocean)

SYNOPSIS

Requires the Director of the Division of Taxation to establish a gross income tax payment system by credit card or debit card.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** requiring the Director of the Division of Taxation to
2 establish a gross income tax payment system by credit card or
3 debit card, amending P.L.1996, c.2.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. Section 2 of P.L.1996, c.2 (C.54:48-4.3) is amended to read
9 as follows:

10 2. Subject to the provisions of section 3 of P.L.1996, c.2,
11 (C.54:48-4.4), the director shall establish a card payment system for
12 payments of the gross income tax, provided that the transaction
13 costs of the collection of tax through such system are not paid by
14 the State, and may establish a card payment system or electronic
15 funds transfer system for payments of other State taxes.
16 (cf: P.L.1996, c.2. s.2)

17
18 2. This act shall take effect immediately and apply to liabilities
19 arising for taxable years beginning on or after the January 1 next
20 following enactment.

21 22 23 STATEMENT

24
25 This bill requires the Director of the Division of Taxation in the
26 Department of the Treasury to establish a card payment system for
27 the payment of gross income tax.

28 A card payment system means a technical procedure by which
29 tax obligations owed the State may be paid by credit card or by
30 debit card. A credit card is a card or other authorization to pay
31 through a third party's extension of credit; a debit card is a card or
32 other authorization to pay through a debit on the cardholder's
33 account with a third party.

34 P.L.1996, c.2 (C.54:48-4.4) authorized the Director of the
35 Division of Taxation to implement a card payment program, and the
36 director initiated a pilot card payment program beginning in March
37 of 1999 that has been expanded to allow individual and fiduciary
38 taxpayers to pay gross income tax liabilities and make payments of
39 estimated gross income taxes. The program is available to all
40 taxpayers who have filed in a previous year (and therefore have
41 existing tax files). As the existing system appears to meet the
42 requirements of the bill, enactment of the bill would not require any
43 changes and the bill allows some discretion for the continuation of
44 what will be a mandatory program should the operating costs of the
45 transaction fees for card payments become fiscally disadvantageous
46 to the State.

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.