

SENATE MILITARY AND VETERANS' AFFAIRS
COMMITTEE

STATEMENT TO

SENATE, No. 717

STATE OF NEW JERSEY

DATED: FEBRUARY 24, 2020

The Senate Military and Veterans Affairs Committee reports favorably Senate Bill No. 717.

This bill provides an annual exemption under the New Jersey gross income tax, in the amount of \$3,000, to a taxpayer who is the surviving spouse of a qualifying veteran of active duty military service. Under current law, a taxpayer who is a veteran honorably discharged or released under honorable circumstances from active duty in the United States Armed Forces or a reserve component thereof, or the National Guard of New Jersey in a federal active duty status, may be eligible to receive a gross income tax exemption in the amount of \$6,000 for each taxable year in which the veteran qualifies.

This bill extends a gross income tax exemption to the surviving spouse of a veteran who has died while on active duty; was honorably discharged from active duty; or was released from active duty under honorable circumstances. If a surviving spouse remarries or cohabitates with another person and holds that person out to be his spouse, he becomes no longer eligible to receive the exemption. A surviving spouse who remarries remains eligible for the personal exemption if the remarriage was void or has been annulled, unless it is determined that the annulment was obtained through fraud or collusion, or if the surviving spouse remarries after the age of 57.

The eligibility of a surviving spouse to receive the benefit allowed by this bill is modeled on federal regulations governing the eligibility of a surviving spouse to receive Death (Survivor's) Pension benefits from the federal Department of Veterans' Affairs.

This bill was pre-filed for introduction in the 2020-2021 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.