

SENATE, No. 1574

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 13, 2020

Sponsored by:
Senator JAMES BEACH
District 6 (Burlington and Camden)

SYNOPSIS

Establishes a gross income tax credit for attendance at New Jersey county colleges.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ACT** establishing a gross income tax credit for taxpayers and
2 their dependents attending New Jersey county colleges,
3 supplementing Title 54A of the 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 who has paid one-half or more of the costs of
9 tuition and maintenance of a dependent under the age of 22 years in
10 attendance at a New Jersey county college shall be allowed a credit
11 against the tax otherwise due pursuant to the "New Jersey Gross
12 Income Tax Act," N.J.S.54A:1-1 et seq., in an amount equal to the
13 amount of the costs of tuition and maintenance paid up to a
14 maximum credit of \$750 for a dependent in attendance on a full-
15 time basis and in an amount equal to one-half of the amount of the
16 costs of tuition and maintenance paid up to a maximum credit of
17 \$375 for a dependent in attendance on a part-time basis having
18 completed at least six credits per semester. No credit shall be
19 allowed under this subsection for a taxable year if the taxpayer has
20 claimed a deduction for the dependent pursuant to section 1 of
21 P.L.1976, c.84 (C.54A:3-1.1) for that taxable year.

22 b. A taxpayer who has paid costs of tuition and maintenance
23 for the taxpayer's attendance at a New Jersey county college shall
24 be allowed a credit against the tax otherwise due pursuant to the
25 "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., in an
26 amount equal to the amount of the costs of tuition and maintenance
27 paid up to a maximum credit of \$750 for the taxpayer's attendance
28 on a full time basis and in an amount equal to one-half of the
29 amount of the costs of tuition and maintenance paid up to a
30 maximum credit of \$375 for the taxpayer's attendance on a part-
31 time basis having completed at least six credits per semester. No
32 credit shall be allowed under this subsection for a taxable year if the
33 taxpayer in attendance at a county college is a dependent of another
34 taxpayer who claims a credit for the taxpayer in attendance at a
35 county college under subsection a. of this section for that taxable
36 year.

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38 2. This act shall take effect immediately and shall apply to
39 taxable years beginning after the date of enactment.

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STATEMENT

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44 This bill encourages greater opportunities for attendance at
45 county colleges by establishing a \$750 gross income tax credit for
46 payment of tuition and maintenance costs for full time attendance,
47 and a \$375 credit for part-time attendance, at a New Jersey county
48 college paid by a taxpayer either for a dependent under 22 years of

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1 age or for the taxpayer's own attendance at a county college. These
2 tax credits provide tax savings that can be used to finance a
3 significant portion of a county college student's tuition.

4 The county community college system, comprised of 19
5 institutions, provides access to higher education for a broad range
6 of New Jersey residents who might otherwise be denied the benefits
7 of a college education. This tax credit can provide a substantial
8 financial subsidy for those taxpayers who are pursuing this gateway
9 to a post-secondary education for themselves or their dependents.