SENATE, No. 2360

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED APRIL 13, 2020

Sponsored by:
Senator THOMAS H. KEAN, JR.
District 21 (Morris, Somerset and Union)
Senator TROY SINGLETON
District 7 (Burlington)

Co-Sponsored by:
Senators A.M.Bucco and Sarlo

SYNOPSIS

Allows gross income tax deduction for charitable contributions to certain New Jersey-based charitable organizations during COVID-19 pandemic.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 5/11/2020)

AN ACT allowing a gross income tax deduction for charitable contributions to certain New Jersey-based charitable organizations during COVID-19 pandemic.

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

1. a. A taxpayer shall be allowed to deduct from gross income for a taxable year the amount of charitable contributions made to a qualified New Jersey-based charitable organization during the exclusion period, but the deduction allowed pursuant to this section shall not exceed $20,000 for a married taxpayer filing a joint return or an individual filing as head of household and $10,000 for a married individual filing a separate return, unmarried individuals other than individuals filing as head of household, or a surviving spouse.

b. As used in this section:

"Exclusion period" means the period of time following the Governor's public declaration of a state of emergency pursuant to Executive Order No. 103 of 2020 until it is determined by the Governor that an emergency no longer exists.

"Qualified New Jersey-based charitable organization" means a charitable organization that is registered pursuant to the "Charitable Registration and Investigation Act," P.L.1994, c.16 (C.45:17A-18 et seq.), or an organization that is exempt from the registration requirements of that act pursuant to section 9 of P.L.1994, c.16 (C.45:17A-26), and that maintains an office, employs persons, and provides services in this State.

2. This act shall take effect immediately and apply to charitable contributions made during the exclusion period specified in subsection b. of section 1 of this act.

STATEMENT

This bill allows a New Jersey gross income tax deduction for charitable contributions that are made to certain New Jersey-based charitable organizations during the COVID-19 pandemic to encourage philanthropic giving to Garden State charities.

Under this bill, New Jersey gross income taxpayers are allowed to deduct from gross income charitable contributions that are made during the taxable year during the COVID-19 pandemic to a qualified New Jersey-based charitable organization. The bill provides that the amount of the deduction is limited to $20,000 for joint filers and head of households and $10,000 for single filers, married taxpayers filing separately, or surviving spouses.

The bill defines "exclusion period" as the time when the Governor issued Executive Order No. 103 of 2020 declaring a public health emergency for the COVID-19 pandemic (March 9th, 2020) until there is no longer a public health emergency. The bill defines "qualified New Jersey-based charitable organization" as a charitable organization that is registered pursuant to the "Charitable Registration and Investigation Act," or an organization that is exempt from the registration requirements of that act, and maintains an office, employs persons, and provides services in this State.

This bill takes effect immediately upon enactment and applies to charitable contributions that are made during the exclusion period.