

SENATE, No. 2623

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED JUNE 29, 2020

Sponsored by:

Senator JOSEPH P. CRYAN

District 20 (Union)

SYNOPSIS

Allows corporation business tax and gross income tax credits to employers that provide implicit bias training to their employees.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT allowing tax credits to employers that provide implicit bias
2 training to their employees, supplementing P.L.1945, c.162
3 (C.54:10A-1 et seq.) and Title 54A of the New Jersey Statutes.

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

7
8 1. a. A taxpayer shall be allowed a credit against the tax
9 imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5)
10 equal to 100 percent of the cost of the implementation of an
11 evidence-based implicit bias training program for the taxpayer's
12 full-time and part-time employees. An implicit bias training
13 program, shall, at a minimum, train employees to recognize and
14 diminish the impact of implicit bias within their field or profession.

15 b. The order of priority of the application of the tax credit
16 allowed pursuant to this section, and any other credits allowed
17 against the tax imposed pursuant to section 5 of P.L.1945, c.162
18 (C.54:10A-5) for a privilege period, shall be as prescribed by the
19 director. The amount of the credit applied pursuant to this section
20 against the tax imposed pursuant to section 5 of P.L.1945, c.162
21 (C.54:10A-5) shall not reduce a taxpayer's tax liability to an amount
22 less than the statutory minimum provided in subsection (e) of
23 section 5 of P.L.1945, c.162 (C.54:10A-5).

24 c. As used in this section:

25 "Implicit bias" means a bias in judgment or behavior that results
26 from subtle cognitive processes, including implicit prejudice and
27 implicit stereotypes, that often operate at a level below conscious
28 awareness and without intentional control.

29 "Implicit stereotypes" means the unconscious attributions of
30 particular qualities to a member of a certain social group,
31 influenced by experience, and based on learned associations
32 between various qualities and social categories, including race and
33 gender.

34
35 2. a. A taxpayer shall be allowed a credit against the tax
36 otherwise due for the taxable year under the "New Jersey Gross
37 Income Tax Act" N.J.S.54A:1-1 et seq., in an amount equal to 100
38 percent of the cost of the implementation of an evidence-based
39 implicit bias training program for the taxpayer's full-time and part-
40 time employees. An implicit bias training program, shall, at a
41 minimum, train employees to recognize and diminish the impact of
42 implicit bias within their field or profession.

43 b. The order of priority of the application of the credit allowed
44 pursuant to this section, and any other credits allowed against the
45 tax imposed pursuant to N.J.S.54A:1-1 et seq. for a taxable year,
46 shall be as prescribed by the director. The amount of the credit

1 applied against the New Jersey gross income tax imposed pursuant
2 to N.J.S.54A:1-1 shall not reduce a taxpayer's tax liability to an
3 amount less than zero.

4 c. (1) A partnership shall not be allowed a credit under this
5 section directly, but the amount of credit of a taxpayer in respect of
6 a distributive share of partnership income under the "New Jersey
7 Gross Income Tax Act," N.J.S.54A:1-1 et seq., shall be determined
8 by allocating to the taxpayer that proportion of the credit acquired
9 by the partnership that is equal to the taxpayer's share, whether or
10 not distributed, of the total distributive income or gain of the
11 partnership for its taxable year ending within or with the taxpayer's
12 taxable year.

13 (2) A New Jersey S Corporation shall not be allowed a credit
14 under this section directly, but the amount of the tax credit of a
15 taxpayer in respect of a pro rata share of S Corporation income,
16 shall be determined by allocating to the taxpayer that proportion of
17 the tax credit acquired by the New Jersey S Corporation that is
18 equal to the taxpayer's share, whether or not distributed, of the total
19 pro rata share of S Corporation income of the New Jersey S
20 Corporation for its privilege period ending within or with the
21 taxpayer's taxable year.

22 d. As used in this section:

23 "Implicit bias" means a bias in judgment or behavior that results
24 from subtle cognitive processes, including implicit prejudice and
25 implicit stereotypes, that often operate at a level below conscious
26 awareness and without intentional control.

27 "Implicit stereotypes" means the unconscious attributions of
28 particular qualities to a member of a certain social group,
29 influenced by experience, and based on learned associations
30 between various qualities and social categories, including race and
31 gender.

32
33 3. This act shall take effect immediately and shall apply to
34 privilege periods and taxable years beginning on or after January 1
35 next following enactment.

36 37 38 STATEMENT

39
40 This bill provides corporation business tax and gross income tax
41 credits to businesses that provide implicit bias training to their
42 employees. The amount of the credit would be equal to 100 percent
43 of the cost of the implicit bias training provided by the employer.

44 Implicit bias (or "unconscious bias") training is designed to
45 expose people to their unconscious biases, provide tools to adjust

1 automatic patterns of thinking, and ultimately eliminate
2 discriminatory behaviors. The bill requires an implicit bias training
3 program, at a minimum, to train employees to recognize and
4 diminish the impact of implicit bias within their field or profession.

5 The bill defines “implicit bias” as a bias in judgment or behavior
6 that results from subtle cognitive processes, including implicit
7 prejudice and implicit stereotypes, that often operate at a level
8 below conscious awareness and without intentional control.