

SENATE, No. 3151

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED NOVEMBER 5, 2020

Sponsored by:

Senator NELLIE POU

District 35 (Bergen and Passaic)

Senator STEVEN V. OROHO

District 24 (Morris, Sussex and Warren)

SYNOPSIS

Allows NJ gross income tax deduction for charitable contributions of food made from business inventory.

CURRENT VERSION OF TEXT

As introduced.



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

1 **AN ACT** allowing a charitable contribution tax deduction under the
2 New Jersey gross income tax for contributions of food made
3 from business inventory and supplementing chapter 3 of Title
4 54A of the New Jersey Statutes.

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

1. A taxpayer shall be allowed to deduct from gross income the amount of charitable contributions of food made to and accepted by an organization in the taxable year equal to the amount which would have been allowed to the taxpayer for the federal taxable year under the provisions of paragraph (3) of subsection (e) of section 170 of the federal Internal Revenue Code (26 U.S.C. s.170) in effect on December 31, 2013.

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

STATEMENT

23 This bill allows gross income tax deductions for charitable
24 contributions of food made to and accepted by an organization in
25 the tax year from business inventory, as allowed under paragraph
26 (3) of subsection (e) of section 170 of the federal Internal Revenue
27 Code of 1986. The deduction mirrors the federal income tax
28 deduction for contributions of food made from business inventory
29 and is allowed regardless of whether the federal itemized deduction
30 is taken by the taxpayer.

The deduction is an itemized deduction for charitable contributions of food, where “food” is “apparently wholesome food.” Under federal law, “apparently wholesome food” means “food that meets all quality and labeling standards imposed by Federal, State, and local laws and regulations even though the food may not be readily marketable due to appearance, age, freshness, grade, size, surplus, or other conditions.” The contribution is required to be made to an organization that is determined by the Internal Revenue Service to be an organization eligible to receive tax-deductible charitable contributions.