

SENATE, No. 3269

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED DECEMBER 14, 2020

Sponsored by:

Senator CHRISTOPHER "KIP" BATEMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Senator ANTHONY M. BUCCO

District 25 (Morris and Somerset)

SYNOPSIS

Provides gross income tax credit to essential employees working during COVID-19 pandemic.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 12/16/2020)

1 **AN ACT** establishing a credit against the New Jersey gross income
2 tax for essential employees working during the COVID-19
3 pandemic and supplementing Title 54A of the New Jersey
4 Statutes.

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

8
9 1. a. As used in this section:

10 “Essential employee” means an employee who, during a taxable
11 year in which both the Public Health Emergency and the State of
12 Emergency declared by the Governor in Executive Order No. 103 of
13 2020 and any extension thereof concerning the COVID-19
14 pandemic are ongoing:

15 (1) is a public safety worker;

16 (2) is involved in providing medical and other health care
17 services, emergency transportation, social services, and other care
18 services, including services provided in health care facilities,
19 residential facilities, or homes; or

20 (3) performs functions which involve physical proximity to the
21 members of the public and are essential to the public’s health,
22 safety, and welfare, including, but not limited to, transportation
23 services, hotel and other transient services, banking and financial
24 services, and the production, preparation, storage, sale, and
25 distribution of essential goods, such as food, beverages, medicine,
26 fuel, and supplies for conducting essential business and work at
27 home.

28 An employee who is an employee of the State who is offered the
29 option of working at home, but has refused that option, shall not be
30 regarded as an essential employee.

31 “Health care facility” means any non-federal institution, building
32 or agency, or portion thereof, whether public or private, for profit or
33 nonprofit, that is used, operated, or designed to provide health
34 services, medical or dental treatment, nursing, rehabilitative or
35 preventive care to any person. Health care facility includes, but is
36 not limited to: an ambulatory surgical facility, home health agency,
37 hospice, hospital, infirmary, intermediate care facility, dialysis
38 center, long-term care facility, medical assistance facility, mental
39 health center, paid and volunteer emergency medical services,
40 outpatient facility, public health center, rehabilitation facility,
41 residential treatment facility, skilled nursing facility, and adult day
42 care center. Health care facility also includes, but is not limited to,
43 the following related property when used for or in connection with
44 the foregoing: a laboratory, research facility, pharmacy, laundry
45 facility, health personnel training and lodging facility, patient,
46 guest, and health personnel food service facility, and the portion of
47 an office or office building used by persons engaged in health care
48 professions or services.

1 “Public safety worker” includes a member, employee, or officer
2 of a paid, partially-paid, or volunteer fire or police department,
3 force, company, or district, including but not limited to, the State
4 Police, a Community Emergency Response Team approved by the
5 New Jersey Office of Emergency Management, a correctional
6 facility, a basic or advanced medical technician of a first aid or
7 rescue squad, or any other nurse, basic or advanced medical
8 technician.

9 b. (1) An essential employee with gross income not in excess
10 of \$250,000 shall be allowed a credit in the amount of \$500 against
11 the tax otherwise due for the taxable year pursuant to the “New
12 Jersey Gross Income Tax Act,” N.J.S.54A:1-1 et seq.

13 (2) An essential employee with gross income in excess of
14 \$250,000 but not in excess of \$400,000 shall be allowed a credit in
15 the amount of \$250 against the tax otherwise due for the taxable
16 year pursuant to the “New Jersey Gross Income Tax Act,”
17 N.J.S.54A:1-1 et seq.

18 (3) An essential employee with gross income in excess of
19 \$400,000 shall not be allowed a credit pursuant to this section.

20 c. In the case of married individuals filing jointly, each
21 individual shall be permitted to claim the credit allowed pursuant to
22 this section in the taxable year if that individual is eligible for the
23 credit.

24 d. The order of priority of the application of the credit allowed
25 pursuant to this section, and any other credits allowed against the
26 tax imposed pursuant to N.J.S.54A:1-1 et seq., shall be as
27 prescribed by the director. The amount of the credit applied against
28 the New Jersey gross income tax due pursuant to N.J.S.54A:1-1 et
29 seq. shall not reduce a taxpayer’s New Jersey gross income tax
30 liability to an amount less than zero.

31 e. Notwithstanding the provisions of the “Administrative
32 Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.), to the
33 contrary, the director may adopt, immediately, upon filing with the
34 Office of Administrative Law, regulations that the director deems
35 necessary to implement the provisions of P.L. , c. (C.)
36 (pending before the Legislature as this bill), which regulations shall
37 be effective for a period not to exceed 360 days from the date of the
38 filing. The director may thereafter amend, adopt, or readopt the
39 regulations in accordance with the requirements of P.L.1968, c.410
40 (C.52:14B-1 et seq.).

41
42 2. This act shall take effect immediately and apply to any
43 taxable year during which both the Public Health Emergency and
44 the State of Emergency declared by the Governor in Executive
45 Order No. 103 of 2020 and any extension thereof concerning the
46 COVID-19 pandemic are in effect for more than 183 days.

1 STATEMENT

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3 This bill provides a gross income tax credit to certain essential
4 employees, including, but not limited to, health care workers, public
5 safety workers, and transportation service providers, who have
6 continued working during the COVID-19 pandemic.

7 An essential employee with gross income of less than \$250,000
8 would be allowed a tax credit of \$500. An essential employee with
9 gross income greater than \$250,000 but less than \$400,000 would
10 be allowed a tax credit of \$250. Essential employees with gross
11 income greater than \$400,000 are not eligible to receive a tax credit.
12 The credit may be claimed by both individuals in the case of
13 married individuals filing a joint return.

14 The bill will take effect immediately and will apply to any
15 taxable year in which both the State of Emergency and Public
16 Health Emergency declared by the Governor in Executive Order
17 No. 103 of 2020 and any extension thereof remains in effect for
18 183 days.