

SENATE ECONOMIC GROWTH COMMITTEE

STATEMENT TO

SENATE, No. 3759

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 9, 2021

The Senate Economic Growth Committee reports favorably and with committee amendments Senate Bill No. 3759.

As amended and reported, the bill allows qualified small employers to receive a tax credit for wages paid to qualified employees. The credit is to be equal to 10 percent of wages paid by the qualified small employer to a qualified employee. Under the bill, a qualified small employer is defined as a business entity, including all entities related by common ownership or control, that is independently owned and operated, has a North American Industry Classification System (NAICS) code of 44, 45, 62, 71, 72, or 81, and had an average weekly number of full-time employees of not more than 100 employees during the taxable year. The industries classified under the NAICS codes mentioned in the bill are as follows: retail trade; health care and social assistance; arts, entertainment, and recreation; accommodation and food services; and other services, except public administration.

The bill permits the credit to be available for taxable years beginning or privilege periods ending in 2020 and 2021, and to be carried forward for up to seven taxable years, if necessary.

The committee amended the bill to remove the 20 percent wage credit for a qualified small employer if the qualified small employer is located in a COVID-impact county.