

[Second Reprint]

ASSEMBLY, No. 2043

STATE OF NEW JERSEY

220th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2022 SESSION

Sponsored by:

Assemblyman DANIEL R. BENSON

District 14 (Mercer and Middlesex)

Assemblywoman ANGELA V. MCKNIGHT

District 31 (Hudson)

Assemblyman RAJ MUKHERJI

District 33 (Hudson)

Co-Sponsored by:

**Assemblywomen Murphy, Swift, Assemblyman Freiman, Assemblywomen
Piperno, Eulner, Lopez, Assemblymen Calabrese, McKeon and
Assemblywoman Park**

SYNOPSIS

“New Jersey Disability Savings Act.”

CURRENT VERSION OF TEXT

As amended by the General Assembly on February 28, 2022.



(Sponsorship Updated As Of: 3/24/2022)

1 AN ACT concerning tax deductions for certain disability expenses
 2 and supplementing Title 52 and Title 54A of the New Jersey
 3 Statutes.

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

7
 8 1. This act shall be known and may be cited as the “New Jersey
 9 Disability Savings Act.”

10
 11 2. As used in this act:

12 “Department” means the Department of Human Services.

13 “New Jersey ABLE account” means an account established
 14 pursuant to P.L.2015, c.185 (C.52:18A-250 et al.).

15 “Qualifying state ABLE account” means an account established
 16 pursuant to any qualified state ABLE program, pursuant to section
 17 529A of the federal Internal Revenue Code of 1986, 26 U.S.C.
 18 s.529A.

19
 20 3. a. Subject to the availability of State appropriations, a New
 21 Jersey ABLE account or a qualifying state ABLE account, when
 22 initially opened by a taxpayer with a gross income of ¹**[\$200,000]**
 23 \$150,000¹ or less, shall be eligible for a one-time grant of up to
 24 ¹**[\$1,000]** \$750¹ in a dollar-for-dollar match of the initial deposit to
 25 the account.

26 b. ¹**[A taxpayer who owns a New Jersey ABLE account or a**
 27 **qualifying state ABLE account shall be eligible for a one-time**
 28 **grant, in the amount of \$500, subject to the availability of State**
 29 **appropriations, for every \$25,000 in incremental savings accrued in**
 30 **the taxpayer’s account.]**¹ For the purposes of this section, the
 31 department shall develop a methodology by which the department
 32 shall ensure that duplicate grants are not issued to a taxpayer for the
 33 same pool of savings in a New Jersey ABLE account or a qualifying
 34 state ABLE account.

35 c. If the annual State Appropriations Act does not include
 36 sufficient funding for the department to issue the grants in the
 37 amounts specified under this section, the department shall
 38 determine the methodology for allocating the available funding,
 39 which may include, but shall not be limited to, reducing the amount
 40 of the grant award for individual taxpayers.

41 d. Notwithstanding the provisions of the “Administrative
 42 Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.) to the
 43 contrary, the department may adopt, immediately upon filing with
 44 the Office of Administrative Law, rules that the ²**[authority]**

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AHU committee amendments adopted February 14, 2022.

²Assembly floor amendments adopted February 28, 2022.

1 department² deems necessary for the appropriate administration and
2 implementation of the provisions of this section, including a
3 minimum length of time for participation in the New Jersey ABLE
4 program or other qualifying state ABLE program for the credits
5 established pursuant to this section, which rules shall be effective
6 for a period not to exceed 365 days from the date of filing. The
7 department shall thereafter amend, adopt, or readopt the rules in
8 accordance with the requirements of P.L.1968, c.410 (C.52:14B-
9 1 et seq.).

10

11 4. A taxpayer shall be allowed a deduction from the taxpayer's
12 gross income for the taxable year in the amount of the taxpayer's
13 contribution for the taxable year to a New Jersey ABLE account or
14 qualifying state ABLE account.

15

16 5. This act shall take effect immediately.