

[Third 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:**

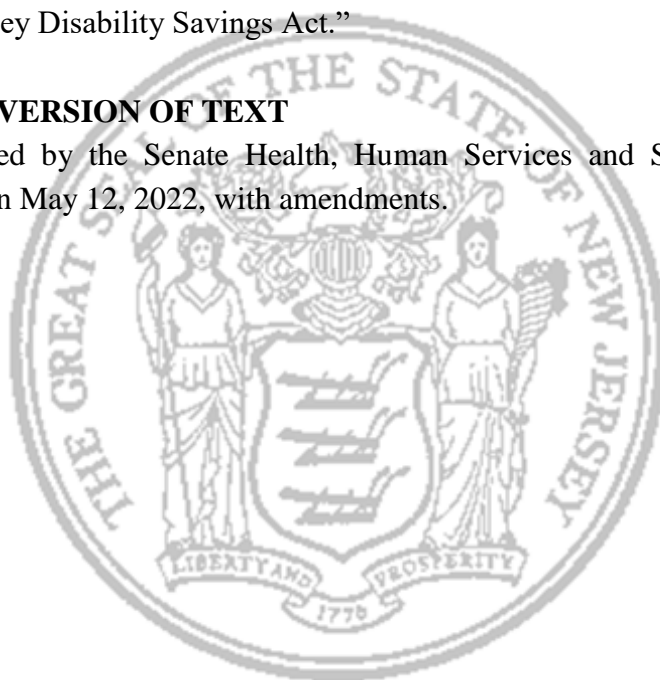
**Assemblywomen Murphy, Swift, Assemblyman Freiman, Assemblywomen  
Piperno, Eulner, Lopez, Assemblymen Calabrese, McKeon and  
Assemblywoman Park**

**SYNOPSIS**

“New Jersey Disability Savings Act.”

**CURRENT VERSION OF TEXT**

As reported by the Senate Health, Human Services and Senior Citizens  
Committee on May 12, 2022, with amendments.



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

1 AN ACT concerning tax deductions for certain disability expenses  
2 and supplementing Title 52 <sup>3</sup>[and Title 54A]<sup>3</sup> of the <sup>3</sup>[New  
3 Jersey] Revised<sup>3</sup> 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 <sup>1</sup>[\$200,000]  
23 \$150,000<sup>1</sup> or less, shall be eligible for a one-time grant of up to  
24 <sup>1</sup>[\$1,000] \$750<sup>1</sup> in a dollar-for-dollar match of the initial deposit to  
25 the account.

26 b. <sup>1</sup>[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.]<sup>1</sup> 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

**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:

<sup>1</sup>Assembly AHU committee amendments adopted February 14, 2022.

<sup>2</sup>Assembly floor amendments adopted February 28, 2022.

<sup>3</sup>Senate SHH committee amendments adopted May 12, 2022.

1 the Office of Administrative Law, rules that the <sup>2</sup>**[authority]**  
2 department<sup>2</sup> deems necessary for the appropriate administration and  
3 implementation of the provisions of this section, including a  
4 minimum length of time for participation in the New Jersey ABLE  
5 program or other qualifying state ABLE program for the credits  
6 established pursuant to this section, which rules shall be effective  
7 for a period not to exceed 365 days from the date of filing. The  
8 department shall thereafter amend, adopt, or readopt the rules in  
9 accordance with the requirements of P.L.1968, c.410 (C.52:14B-  
10 1 et seq.).

11

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

16

17 5. This act shall take effect immediately.