

STATEMENT TO
[Third Reprint]
SENATE, No. 3128

with Senate Floor Amendments
(Proposed by Senator LAGANA)

ADOPTED: JUNE 26, 2023

These floor amendments modify the "convenience of the employer" test created by the bill to provide the following: for an individual who is a nonresident of this State and who has income from employee compensation from a New Jersey employer for the performance of personal services performed outside of New Jersey that were not required by the employer to be performed outside of New Jersey, and whose state of residence imposes an income or wage tax that requires employee compensation to be sourced to an employer's location if the nonresident renders the personal services from an out-of-state location for the convenience of the nonresident employee and not due to the necessity of the employer, this State will impose a similar New Jersey sourcing rule on that income of the nonresident. The amendments authorize the Director of the Division of Taxation in the Department of the Treasury to adopt, immediately upon filing with the Office of Administrative Law, regulations that the director deems necessary to implement this provision, which regulations will be effective for a period not to exceed 180 from the date of filing.