

SENATE, No. 3504

STATE OF NEW JERSEY
220th LEGISLATURE

INTRODUCED JANUARY 26, 2023

Sponsored by:
Senator JEAN STANFIELD
District 8 (Atlantic, Burlington and Camden)

SYNOPSIS

Allows gross income tax deduction for surviving spouses of certain veterans.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT allowing a deduction against gross income for surviving
2 spouses of certain veterans, and amending N.J.S.54A:3-1.

3
4 BE IT ENACTED by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. N.J.S.54A:3-1 is amended to read as follows:

8 54A:3-1. Personal exemptions and deductions. Each taxpayer
9 shall be allowed personal exemptions and deductions against his
10 gross income as follows:

11 (a) Taxpayer. Each taxpayer shall be allowed a personal
12 exemption of \$1,000.00 which may be taken as a deduction from his
13 New Jersey gross income.

14 (b) Additional exemptions. In addition to the personal
15 exemptions allowed in (a), the following additional personal
16 exemptions shall be allowed as a deduction from gross income:

17 1. For the taxpayer's spouse, or domestic partner as defined in
18 section 3 of P.L.2003, c.246 (C.26:8A-3), who does not file
19 separately - \$1,000.00.

20 2. For each dependent who qualifies as a dependent of the
21 taxpayer during the taxable year for federal income tax purposes -
22 \$1,500.00.

23 3. Taxpayer 65 years of age or over at the close of the taxable
24 year - \$1,000.00.

25 4. Taxpayer's spouse 65 years of age or over at the close of the
26 taxable year - \$1,000.00.

27 5. Blind or disabled taxpayer - \$1,000.00.

28 6. Blind or disabled spouse - \$1,000.00.

29 7. Taxpayer who is a veteran honorably discharged or released
30 under honorable circumstances from active duty in the Armed
31 Forces of the United States, a reserve component thereof, or the
32 National Guard of New Jersey in a federal active duty status, as
33 those terms are used in N.J.S.38A:1-1 - \$6,000.

34 8. Taxpayer who is the surviving spouse of a qualifying
35 veteran, during the surviving spouse's widowhood or
36 widowerhood - \$3,000. For purposes of this subsection, "qualifying
37 veteran" means an individual who:

38 (A) dies while on,

39 (B) was honorably discharged from, or

40 (C) was released under honorable circumstances from,

41 active duty in the Armed Forces of the United States, a reserve
42 component thereof, or the National Guard of New Jersey in a
43 federal active duty status, as those terms are used in N.J.S.38A:1-1.

44 (c) Special Rule. The personal exemptions allowed under this
45 section shall be limited to that percentage which the total number of
46 months within a taxpayer's taxable year under this act bears to 12.

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.

1 For this purpose 15 days or more shall constitute a month.

2 (d) (Deleted by amendment, P.L.1993, c.178).

3 (e) Nonresidents. For taxable years to which a certification
4 pursuant to section 3 of P.L.1993, c.320 (C.54A:2-1.2) applies, a
5 nonresident taxpayer shall be allowed the same deduction for
6 personal exemptions as a resident taxpayer. However, if (1) the
7 nonresident taxpayer's gross income which is subject to tax under
8 this act is exceeded by (2) the gross income which the nonresident
9 taxpayer would be required to report under this act if the taxpayer
10 were a resident by more than \$100.00, the taxpayer's deduction for
11 personal exemptions shall be limited by the percentage which
12 (1) is to (2).
13 (cf: P.L.2019, c.146)

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15 2. This act shall take effect immediately and apply to taxable
16 years beginning on or after January 1 next following the date of
17 enactment.

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20 STATEMENT

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22 This bill provides an annual exemption under the New Jersey
23 gross income tax, in the amount of \$3,000, to a taxpayer who is the
24 surviving spouse of a qualifying veteran of active duty military
25 service.

26 Under current law, a taxpayer who is a veteran honorably
27 discharged or released under honorable circumstances from active
28 duty in the United States Armed Forces or a reserve component
29 thereof, or the National Guard of New Jersey in a federal active
30 duty status, may be eligible to receive a gross income tax exemption
31 in the amount of \$6,000 for each taxable year in which the veteran
32 qualifies. This bill extends this veterans' exemption to the
33 surviving spouse of a veteran who has: (1) died while on active
34 duty; (2) was honorably discharged from active duty; or (3) was
35 released from active duty under honorable circumstances. If a
36 surviving spouse remarries, he or she becomes no longer eligible to
37 receive the exemption.

38 The following terms are defined elsewhere in the statutes and are
39 incorporated by reference: "active duty" means duty in the active
40 military service; and "armed forces" means the land, air, and sea
41 forces established by State or federal laws, as applicable.

42 This bill extends the veterans' gross income tax exemption to
43 surviving spouses in order to acknowledge the burdens borne by the
44 widows and widowers of our veterans. Tax relief of this nature is a
45 means to further boost the economic security of those individuals
46 who sacrificed to safeguard our security and freedom.