

ASSEMBLY, No. 6025

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED NOVEMBER 17, 2025

Sponsored by:

Assemblywoman VICTORIA A. FLYNN

District 13 (Monmouth)

SYNOPSIS

Provides gross income tax credit to qualified caregivers for care and support expenses incurred for qualifying relative or individual with disabilities.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT providing a gross income tax credit to qualified caregivers
2 for expenses paid or incurred to provide care for a qualifying
3 relative or individual with disabilities, and supplementing
4 chapter 4 of Title 54A of the New Jersey Statutes.

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

8
9 1. a. A qualified caregiver shall be allowed a credit against the
10 tax otherwise due under the “New Jersey Gross Income Tax Act,”
11 N.J.S.54A:1-1 et seq., in an amount equal to the qualified care and
12 support expenses paid or incurred by the qualified caregiver during
13 the taxable year for a qualifying relative or individual with
14 disabilities, not to exceed \$2,500 in a taxable year.

15 b. Except as otherwise provided in subsection e. of this section,
16 to claim the credit allowed pursuant to this section, the qualified
17 caregiver shall attach documentation to any return which the
18 qualified caregiver is required to file under N.J.S.54A:1-1 et seq., in
19 a form and manner prescribed by the director, substantiating the
20 qualified care and support expenses paid or incurred by the
21 qualified caregiver during the taxable year. Such documentation
22 shall include, but shall not be limited to:

23 (1) itemized receipts or invoices from service providers that
24 clearly identify the qualifying relative or individual with disabilities
25 as the beneficiary;

26 (2) canceled checks, credit card statements, or other proof of
27 payment corresponding to the itemized receipts or invoices;

28 (3) for home modification expenses, contracts and paid invoices
29 detailing the nature of the modifications and their purpose in
30 supporting the qualifying relative or individual with disabilities;

31 (4) for assistive devices, medical equipment, or supplies,
32 certification from a licensed physician or licensed health care
33 professional indicating the necessity of such items for the care of
34 the qualifying relative or individual with disabilities;

35 (5) documentation that the qualified senior relative or individual
36 with disabilities co-resides with the qualified caregiver, or that the
37 qualified caregiver provides at least 120 hours of care annually to
38 the qualified senior relative or individual with disabilities, which
39 documentation may include a caregiver log, affidavit, or other form
40 of verification as prescribed by the director; and

41 (6) any other additional requirements and procedures the
42 director deems necessary to prevent fraud and ensure proper
43 substantiation of qualified care and support expenses.

44 c. If a qualified caregiver is allowed a credit in accordance
45 with subsection a. of this section and, during the same taxable year,
46 is allowed a dependent deduction in accordance with paragraph 2 of
47 subsection (b) of N.J.S.54A:3-1 for the qualifying relative or
48 individual with disabilities whose care and support is the basis for

1 the credit allowed in accordance with subsection a. of this section,
2 the qualified caregiver shall be allowed to claim both the deduction
3 and the credit in determining the tax otherwise due for the taxable
4 year under N.J.S.54A:1-1 et seq.

5 d. If the credit allowed in accordance with subsection a. of this
6 section, together with any other payments and any other credits,
7 deductions, and adjustments allowed by law, reduces the tax
8 liability otherwise due for the taxable year under N.J.S.54A:1-1 et
9 seq. to zero, the amount of the credit remaining shall be paid to the
10 taxpayer as a refund of an overpayment of tax in accordance with
11 N.J.S.54A:9-7; provided, however, that subsection (f) of that
12 section, concerning the allowance of interest, shall not apply.

13 e. A qualified caregiver who is not subject to tax in accordance
14 with N.J.S.54A:2-4 for a taxable year shall apply for the tax credit
15 allowed under this section using an annual application as shall be
16 made available by the director, which application shall be filed with
17 the director on or before the date for filing annual gross income tax
18 returns. The director shall determine the form and manner by which
19 a qualified caregiver shall apply for a refund of an overpayment of
20 tax, and the time of the refund of the overpayment of tax.

21 f. In the event that two or more qualified caregivers provide
22 care for the same qualifying relative or individual with disabilities,
23 the total amount of credit claimed by all caregivers shall not exceed
24 \$2,500 in a taxable year.

25 g. As used in this section:

26 "Director" means the Director of the Division of Taxation in the
27 Department of the Treasury.

28 "Disability" means, with respect to an individual, any medically-
29 documented physical or mental impairment as defined in the federal
30 "Americans with Disabilities Act of 1990," 42 U.S.C. s.12101.

31 "Licensed health care professional" means a registered nurse,
32 licensed practical nurse, advanced practical nurse, physician
33 assistant, physical therapist, occupational therapist, or dental
34 hygienist licensed pursuant to Title 45 of the Revised Statutes.

35 "Licensed physician" means a physician licensed by the State
36 Board of Medical Examiners.

37 "Qualified care and support expenses" means expenses paid or
38 incurred by a qualified caregiver for the purchase, lease, or rental of
39 tangible personal property and services that are necessary to allow a
40 qualifying relative or individual with disabilities to be maintained at
41 the qualified caregiver, qualifying relative, or individual with
42 disabilities' permanent place of abode in this State, which property
43 and services are provided to, or for the benefit of, the qualifying
44 relative or individual with disabilities, or to assist the qualified
45 caregiver in providing care and support to the qualifying relative or
46 individual with disabilities, or are provided by an organization or an
47 individual who is not a relative of the qualified caregiver or the
48 qualifying relative or individual with disabilities. "Qualified care

1 and support expenses” shall include, but shall not be limited to,
2 expenses paid or incurred by a qualified caregiver for the purchase,
3 lease, or rental of home health agency services, adult day care,
4 companionship services, personal care attendant services,
5 homemaker services, respite care, health care equipment and
6 supplies, home modification services, services necessary to provide
7 care and support to a qualifying relative or individual with
8 disabilities in connection with two or more activities of daily living,
9 assistive devices, or transportation services related to medical care
10 or obtaining qualified care and support services. “Qualified care
11 and support expenses” shall not include expenses paid or incurred
12 by a qualified caregiver that are reimbursed by insurance or by a
13 program administered by the State or federal government.

14 “Qualified caregiver” means a resident individual of this State
15 who provides care and support to a qualifying relative or individual
16 with disabilities.

17 “Qualifying relative” means an individual who is a relative of a
18 qualified caregiver and who is: 65 years of age or older; or 50 years
19 of age or older, qualifies for Social Security Disability Insurance,
20 and has gross income for the taxable year not in excess of the New
21 Jersey Elder Economic Security Standard Index, as reported by the
22 Department of Human Services pursuant to P.L.2015, c.53
23 (C.44:15-1 et seq.), for the most recent calendar year.

24 “Relative” means an individual who is: (1) related by blood or
25 adoption, including a parent, grandparent, great-grandparent, child,
26 grandchild, great-grandchild, sibling, aunt, uncle, niece, and
27 nephew; (2) related through marriage, civil union, or domestic
28 partnership to an individual who is related by blood or adoption to
29 their spouse, including the same relationships as described in
30 paragraph (1) of this definition; or (3) an individual who has resided
31 with the caregiver as a member of the caregiver’s household for at
32 least 12 consecutive months immediately preceding the taxable
33 year.

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

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STATEMENT

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42 This bill provides a gross income tax credit to qualified
43 caregivers who pay or incur qualified care and support expenses for
44 the care and support of a qualifying relative or individual with
45 disabilities.

46 A qualified caregiver would be allowed to claim a gross income
47 tax credit in an amount not to exceed \$2,500 in each taxable year
48 for qualified care and support expenses paid or incurred by the

1 qualified caregiver during the taxable year for the care and support
2 of a qualifying relative or individual with disabilities. To claim the
3 tax credit, the qualified caregiver would be required to provide
4 documentation to substantiate that the qualified relative or
5 individual with disabilities co-resides with the qualified caregiver,
6 or that the qualified caregiver provides at least 120 hours of care
7 annually to the qualified relative or individual with disabilities. If
8 multiple caregivers provide care for the same individual, the total
9 credit cannot exceed \$2,500 for all caregivers.

10 The credit may be claimed in addition to the dependent
11 deduction that may be received by the qualified caregiver for
12 claiming the qualifying relative or individual with disabilities as a
13 dependent on the qualified caregiver's gross income tax return. The
14 bill also provides that the tax credit would be refundable, meaning
15 that if the credit reduces the qualified caregiver's tax liability to an
16 amount less than zero, the remainder of the credit would be
17 refunded to the caregiver as an overpayment of tax. The bill further
18 provides that a qualified caregiver is eligible to receive the
19 refundable credit, even if the caregiver has gross income below the
20 statutory minimum subject to tax.

21 The bill defines a "qualifying relative" as an individual who is a
22 relative of a qualifying caregiver and who is: (1) 65 years of age or
23 older; or (2) 50 years of age or older, qualifies for Social Security
24 Disability Insurance, and has gross income for the taxable year not
25 in excess of the New Jersey Elder Economic Security Standard
26 Index. A "relative" includes individuals related by blood, adoption,
27 marriage, civil union, or domestic partnership, including parents,
28 grandparents, children, sibling, aunts, uncles, nieces, nephews, and
29 step-relatives, as well as individuals who have resided with the
30 caregiver for at least 12 consecutive months. The bill also defines
31 "disability," with respect to an individual, as any medically-
32 documented physical or mental impairment as defined in the federal
33 "Americans with Disabilities Act."

34 The bill defines "qualified care and support expenses" as the
35 expenses paid or incurred during the taxable year for the purchase,
36 lease, or rental of tangible personal property and services that are
37 necessary to allow the qualifying relative or individual with
38 disabilities to be maintained at the qualified caregiver, qualifying
39 relative, or individual with disabilities' permanent place of abode in
40 this State, including home health services, adult day care, respite
41 care, medical equipment, home modifications, assistive devices, and
42 transportation for medical care, but does not include expenses that
43 are reimbursed by insurance or by a program administered by the
44 State or federal government.0000000