

SENATE, No. 1927

STATE OF NEW JERSEY

221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:

Senator CARMEN F. AMATO, JR.

District 9 (Ocean)

Senator RENEE C. BURGESS

District 28 (Essex and Union)

Co-Sponsored by:

Senator Steinhardt

SYNOPSIS

Extends veteran's gross income tax exemption to spouses of deceased veterans.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 4/15/2024)

1 AN ACT extending the veteran's gross income tax exemption to
2 spouses of deceased veterans, 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:

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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 from 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
13 **【his 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. The spouse of such
34 a veteran shall be allowed this exemption beginning in the taxable
35 year following the death of the veteran and until, but not including,
36 the taxable year in which the spouse remarries; provided, however,
37 the spouse shall only be allowed this exemption if the veteran was
38 allowed this exemption for the taxable year in which the veteran
39 died.

40 (c) Special Rule. The personal exemptions allowed under this
41 section shall be limited to that percentage which the total number of
42 months within a taxpayer's taxable year under this act bears to 12.
43 For this purpose 15 days or more shall constitute a month.

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

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

11 (cf: P.L.2019, c.146)

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13 2. This act shall take effect immediately and apply to taxable
14 years beginning on the January 1 next following enactment.

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17 STATEMENT

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19 This bill extends the veteran's gross income tax exemption to
20 spouses of deceased veterans.

21 Currently, veterans are allowed a \$6,000 exemption, which can
22 be taken as a deduction from their income, for purposes of
23 calculating their State gross income tax liability. If a veteran dies
24 during a taxable year, the spouse of the veteran is allowed the
25 exemption for that taxable year if filing a joint return. However, the
26 spouse is not allowed the exemption in subsequent years. Under this
27 bill, the spouse of the deceased veteran would be allowed to
28 continue to claim the exemption until the spouse remarries.