

SENATE, No. 3828

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED OCTOBER 24, 2024

Sponsored by:

Senator CARMEN F. AMATO, JR.

District 9 (Ocean)

SYNOPSIS

Establishes disabled veteran tenant gross income tax credit.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT establishing a disabled veteran tenant gross income tax
2 credit, supplementing chapter 3A of Title 54A of the New Jersey
3 Statutes.

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

7
8 1. a. A disabled veteran resident taxpayer whose homestead is
9 a unit of residential rental property shall be allowed a credit against
10 the tax otherwise due for the taxable year under the “New Jersey
11 Gross Income Tax Act,” N.J.S.A.54A:1-1 et seq., for that portion of
12 the rent constituting property taxes, due and paid for the calendar
13 year in which the rent constituting taxes is due and payable for
14 occupancy of that homestead up to a maximum allowed credit of
15 \$1,000 for the taxable year.

16 b. Spouses who elect to file separate income tax returns
17 pursuant to the “New Jersey Gross Income Tax Act,” N.J.S.54A:1-1
18 et seq., shall each be entitled to one-half of the credit allowed
19 pursuant to this section.

20 c. If more than one taxpayer, other than the taxpayer and his
21 spouse, occupy the unit of residential rental property for which this
22 credit is to be claimed, a taxpayer qualifying for the credit provided
23 in this section may only claim a credit for rent constituting property
24 taxes in the amount of rent actually paid by the taxpayer.

25 d. A credit allowed pursuant to this section shall not reduce the
26 tax liability otherwise due pursuant to N.J.S.54A:1-1 et seq. for a
27 taxable year to an amount less than zero.

28 e. A credit allowed pursuant to this section shall be in addition
29 to a credit allowed for rent constituting property taxes pursuant to
30 section 6 of P.L.1996, c.60 (C.54A:3A-20).

31 f. As used in this section:

32 “Disabled veteran” means an individual who would qualify as a
33 disabled veteran pursuant to the definition set forth in
34 N.J.S.11A:5-1.

35
36 2. This act shall take effect immediately and apply to taxable
37 years beginning after the date of enactment.

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40 STATEMENT

41
42 This bill establishes a disabled veteran tenant gross income tax
43 credit.

44 This bill allows a disabled veteran to claim a nonrefundable
45 credit, up to a maximum allowable amount of \$1,000, for that
46 portion of the veteran’s rent constituting property taxes. Currently,
47 18 percent of rent paid is considered to constitute property taxes. If
48 a qualifying disabled veteran is married but is filing with a status of

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1 “married, filing separately,” each spouse will be entitled to claim
2 one half of the credit for which the disabled veteran qualifies.
3 However, if a qualifying disabled veteran rents a homestead with
4 another taxpayer, other than the qualifying disabled veteran’s
5 spouse, the qualifying disabled veteran may only claim a credit for
6 the rent constituting property taxes that the qualifying disabled
7 veteran actually paid. The credit established by this bill can be
8 claimed in addition to the \$50 credit that can be claimed by a
9 taxpayer or a resident, who is 65 years of age or older, blind, or
10 disabled not subject to tax, who paid rent constituting property
11 taxes on a homestead.

12 A disabled veteran is a veteran who, as a result of war service, is
13 eligible to be compensated for a service connected disability by the
14 United States Veteran Administration. War service is service at
15 some time during the following conflicts: World War I, World War
16 II, the Korean conflict, the Lebanon crisis, the Vietnam conflict, the
17 Lebanon peacekeeping mission, the Grenada peacekeeping mission,
18 the Panama peacekeeping mission, Operation “Desert Shield/Desert
19 Storm,” Operation Northern Watch and Operation Southern Watch,
20 Operation “Restore Hope,” Operations “Joint Endeavor” and “Joint
21 Guard,” Operation “Uphold Democracy,” Operation “Enduring
22 Freedom,” and Operation “Iraqi Freedom.”