ASSEMBLY, No. 5416

STATE OF NEW JERSEY

222nd LEGISLATURE

INTRODUCED SEPTEMBER 10, 2026

Sponsored by:
Assemblywoman SHANIQUE SPEIGHT
District 29 (Essex and Hudson)

SYNOPSIS

Establishes Artificial Intelligence Apprenticeship Program and artificial intelligence apprenticeship tax credit program.

CURRENT VERSION OF TEXT

As introduced.

AN ACT establishing an Artificial Intelligence Apprenticeship Program and supplementing P.L.1992, c.43 (C.34:15D-1 et seq.), P.L.1945, c.162 (C.54:10A-1 et seq.), and Title 54A of the New Jersey Statutes.

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

1. a. The Artificial Intelligence Apprenticeship Program is established in the Department of Labor and Workforce Development.

b. The program shall:

(1) collaborate with companies in the artificial intelligence industry to offer apprenticeship opportunities that focus on artificial intelligence technology, data analytics, and automation;

(2) facilitate partnerships between employers and educational institutions to ensure that apprentices receive the necessary theoretical and practical training for placement in the artificial intelligence industry;

(3) assist employers in establishing and administering apprenticeship programs that comply with State and federal apprenticeship standards; and

(4) inform employers of the artificial intelligence apprenticeship tax credit program established pursuant to this act.

c. As used in this section:

"Artificial intelligence industry" means an artificial intelligence occupation involving the development of software and hardware and the end-use application of technologies that are able to perform tasks normally requiring human intelligence, including, but not limited to, visual perception, speech recognition, decision-making, translation between languages, and generative artificial intelligence, which generates new content in response to user inputs of data.

"Program" means the Artificial Intelligence Apprenticeship Program.

2. a. For privilege periods beginning in 2026, a taxpayer shall be allowed a credit against the tax imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5) for the amount paid during the privilege period in an amount equal to one-half of the wages paid to a qualified artificial intelligence industry apprentice for the privilege period, but not to exceed $5,000 per apprentice per privilege period.

b. The order of priority of the application of the credit allowed pursuant to this section and any other credits allowed against the tax imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5) for a privilege period shall be as prescribed by the director. The amount of the credit applied pursuant to this section against the tax imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5),

shall not reduce a taxpayer's tax liability to an amount less than the statutory minimum provided in subsection (e) of section 5 of P.L.1945, c.162 (C.54:10A-5).

c. A taxpayer shall apply in a form and manner to be determined by the director for the tax credit provided pursuant to this section.

d. As used in this section:

"Artificial intelligence industry" means an artificial intelligence occupation involving the development of software and hardware and the end-use application of technologies that are able to perform tasks normally requiring human intelligence, including, but not limited to, visual perception, speech recognition, decision-making, translation between languages, and generative artificial intelligence, which generates new content in response to user inputs of data.

"Qualified artificial intelligence industry apprentice" means an unskilled or semi-skilled person in the artificial intelligence industry, including data analytics and automation, that is employed by the taxpayer for no less than 20 calendar weeks in the privilege period as part of a term of artificial intelligence industry training in an apprenticeship program that complies with State and federal apprenticeship standards, not exceeding four privilege periods.

3. a. For taxable years beginning in 2026, a taxpayer shall be allowed a credit against the New Jersey gross income tax due pursuant to N.J.S.54A:1-1 et seq. in an amount equal to one-half of the wages paid to a qualified artificial intelligence industry apprentice for the privilege period, but not to exceed $5,000 per apprentice per privilege period.

b. The order of priority of the application of the credit allowed pursuant to this section and any other credits allowed against the New Jersey gross income tax due pursuant to N.J.S.54A:1-1 et seq. for a taxable year shall be as prescribed by the director. The amount of the credit allowed against the New Jersey gross income tax due pursuant to N.J.S.54A:1-1 et seq., shall not reduce a taxpayer's tax liability to an amount less than the amount of New Jersey gross income tax liability due for the taxable year.

c. A taxpayer shall apply in a form and manner to be determined by the director for the tax credit provided pursuant to this section.

d. As used in this section:

"Artificial intelligence industry" means an artificial intelligence occupation involving the development of software and hardware and the end-use application of technologies that are able to perform tasks normally requiring human intelligence, including, but not limited to, visual perception, speech recognition, decision-making, translation between languages, and generative artificial intelligence, which generates new content in response to user inputs of data.

"Qualified artificial intelligence industry apprentice" means an unskilled or semi-skilled person in the artificial intelligence industry, including data analytics and automation, that is employed by the taxpayer for no less than 20 calendar weeks in the privilege period as part of a term of artificial intelligence industry training in an apprenticeship program that complies with State and federal apprenticeship standards, not exceeding four privilege periods.

4. This act shall take effect on the 30th day next following enactment.

STATEMENT

This bill establishes an Artificial Intelligence Apprenticeship Program in the Department of Labor and Workforce Development. Under the bill, the program will collaborate with companies in the artificial intelligence industry to offer apprenticeship opportunities that focus on artificial intelligence technology, data analytics, and automation; facilitate partnerships between employers and educational institutions; assist employers in establishing and administering apprenticeship programs; and inform employers of the artificial intelligence apprenticeship tax credit program.

The bill also establishes an artificial intelligence apprenticeship tax credit program under the gross income tax and corporation business tax.

The bill gives employers with qualified artificial intelligence industry apprenticeship programs the lesser of $5,000 per apprentice or one-half of an apprentice's wages. To qualify for credit, an apprenticeship must employee an unskilled or semi-skilled person in the artificial intelligence industry, including data analytics and automation, that is employed by the taxpayer for no less than 20 calendar weeks in the privilege period as part of a term of artificial intelligence industry training not exceeding four tax years.