

ASSEMBLY, No. 5626

STATE OF NEW JERSEY

222nd LEGISLATURE

INTRODUCED OCTOBER 15, 2026

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SYNOPSIS

Provides gross income tax credit to certain active members of volunteer emergency service organizations.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 10/19/2026)

1 AN ACT providing a gross income tax credit to certain active
2 members of volunteer emergency service organizations, and
3 supplementing chapter 4 of Title 54A of the New Jersey Statutes.
4

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

8 1. a. As used in this section:

9 “Active duty” means, with respect to an active member of a
10 volunteer emergency services organization, direct participation in
11 the organization’s response to emergency calls or alarms,
12 extinguishing of fires, or other provision of emergency services for
13 the protection of life and property from harm.

14 “Active member” means a member of a volunteer services
15 organization who, during the entire taxable year for which a credit
16 is claimed under this section, is a member in good standing with
17 active member status of the organization and received no
18 remuneration, other than clothing allowances or other monetary
19 reimbursement for clothing, for its upkeep, or both, for serving with
20 the organization. Benefits accrued or received under the
21 “Emergency Services Volunteer Length of Service Award Program
22 Act,” P.L.1997, c.388 (C.40A:14-183 et seq.) shall not be deemed
23 to be remuneration for the purposes of this section.

24 “Ancillary duty” means, with respect to an active member of a
25 volunteer emergency services organization, performance of any
26 duty, other than active duty, attendance at official meetings of the
27 organization, or participation in authorized drills, training classes or
28 exercises conducted by the organization, that may be required to
29 maintain membership in good standing in the organization.

30 “Duty hours” means the hours during which a member of a
31 volunteer emergency services organization has committed to
32 respond to any alarm that may occur, whether or not an alarm
33 actually occurs during those hours.

34 “Qualifying service” means the minimum amount of qualifying
35 service, including active duty and ancillary duty, respectively, to be
36 performed by an active member of a volunteer emergency service
37 organization during a taxable year to be eligible for a tax credit
38 pursuant to this section, as determined by the director.

39 “Volunteer emergency services organization” means:

40 (1) a fire company, part-paid fire department, volunteer fire
41 department, or fire district designated or incorporated under the
42 laws of this State for the purpose of protecting life and property
43 from fire, serving one or more counties or municipalities within this
44 State;

45 (2) an emergency first aid, ambulance, or rescue squad or
46 association, composed of volunteers and incorporated or associated
47 as a nonprofit corporation or association under the laws of this

1 State, which provides emergency first aid, ambulance, or rescue
2 services to one or more counties or municipalities within this State;

3 (3) any county or municipal volunteer Office of Emergency
4 Management recognized by and rendering service in any county or
5 municipality within this State; and

6 (4) an auxiliary police organized pursuant to section 13 of
7 P.L.1942, c.251 (C.App.A.9-45).

8 b. A taxpayer who is an active member of a volunteer
9 emergency service organization shall be allowed a credit against the
10 tax otherwise due pursuant to the "New Jersey Gross Income Tax
11 Act," N.J.S.54A:1-1 et seq., as follows:

12 (1) a taxpayer who during the taxable year performs the
13 minimum amount of qualifying service determined by the director
14 shall be allowed a credit in an amount equal to \$1,000; and

15 (2) a taxpayer who during the taxable year performs qualifying
16 service in excess of the minimum amount of qualifying service
17 determined by the director shall be allowed a credit in an amount
18 equal to \$1,500.

19 c. In the case of married individuals filing jointly, each
20 individual shall be allowed to claim the credit authorized pursuant
21 to this section.

22 d. A taxpayer who is not subject to tax in accordance with
23 N.J.S.54A:2-4 for a taxable year may apply for a credit using an
24 application to be made available by the director. The due date for a
25 tax credit application submitted pursuant to this section shall
26 coincide with the due date for annual gross income tax returns.

27 e. If the credit allowed pursuant to this section, together with
28 any other payments, credits, deductions, and adjustments allowed
29 by law, reduces a taxpayer's tax liability otherwise due under
30 N.J.S.54A:1-1 et seq. to an amount less than zero, the amount of the
31 credit remaining shall be paid to the taxpayer as a refund of an
32 overpayment in accordance with N.J.S.54A:9-7; provided, however,
33 that subsection (f) of that section, concerning the allowance of
34 interest shall not apply.

35 f. On or before January 15 of each year, each volunteer
36 emergency services organization shall certify to the director a list of
37 the active members of the organization during the taxable year
38 ending on the preceding December 31, together with any
39 documentation of that service as the director may require.

40 g. The director, in consultation with the Commissioner of
41 Community Affairs, the Commissioner of Health, and the
42 Superintendent of the State Police, shall adopt, in accordance with
43 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14-1 et
44 seq.), such rules and regulations as may be necessary to effectuate
45 the purposes of this section, including, but not limited to, the
46 prescription of the minimum amount of qualifying service to be
47 performed by a taxpayer to be eligible for the credit allowed under

1 this section and the information to be included in the certification
2 submitted by each volunteer emergency services organization.

3
4 2. This act shall take effect immediately and shall apply to
5 taxable years beginning on or after the January 1 next following the
6 date on which the rules and regulations adopted pursuant to
7 subsection g. of section 1 of this act become effective.

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10 STATEMENT

11
12 This bill establishes a refundable gross income tax credit for
13 qualifying active members of volunteer emergency services
14 organizations.

15 The amount of the credit would be based on whether a taxpayer
16 performed a minimum amount of qualifying service for a volunteer
17 emergency service organization during the taxable year, as
18 determined by the Director of the Division of Taxation in the
19 Department of the Treasury (director). If the taxpayer performed
20 the minimum amount of qualifying service during the taxable year,
21 then the taxpayer would be eligible for a tax credit of \$1,000. If the
22 taxpayer performed qualifying service in excess of the minimum
23 amount of qualifying service, then the taxpayer would be eligible
24 for a tax credit of \$1,500. If married individuals filing a joint return
25 both qualify for the credit, each individual would be allowed the
26 credit as may be applicable.

27 To be eligible for the credit, a taxpayer is required to be an
28 active member of a volunteer emergency services organization. The
29 bill defines an “active member” as a member of an active member
30 of a volunteer emergency services organization who, during the
31 entire taxable year for which a credit is claimed, is a member in
32 good standing with active member status of the organization and
33 received no remuneration, other than clothing allowances or other
34 monetary reimbursement for clothing, for its upkeep, or both, for
35 serving with the organization.

36 The bill defines a “volunteer emergency services organization to
37 include: (1) a fire company, part-paid fire department, volunteer
38 first department or fire district; (2) an emergency first aid,
39 ambulance, or rescue squad or association; (3) a county or
40 municipal volunteer Office of Emergency Management; and (4)
41 auxiliary police. The training and service requirements for
42 volunteer members of these organizations are determined by
43 different State departments and agencies. Accordingly, the bill
44 requires the director in consultation with the Commissioner of
45 Community Affairs, the Commissioner of Health, and the
46 Superintendent of the State Police, to adopt regulations establishing
47 the minimum amount of qualifying service that a member of a

1 volunteer emergency service organization is required to perform to
2 be eligible for a tax credit.

3 The bill also requires each volunteer emergency services
4 organization to certify to the director, on or before January 15 of
5 each year, a list of the active members of the organization during
6 the prior taxable year. The certification will assist the Division of
7 Taxation in verifying a taxpayer's eligibility for a gross income tax
8 credit under the bill.