

SENATE, No. 4732

STATE OF NEW JERSEY

222nd LEGISLATURE

INTRODUCED OCTOBER 5, 2026

Sponsored by:

Senator CARMEN F. AMATO, JR.

District 9 (Ocean)

SYNOPSIS

Provides gross income tax credit to active members of volunteer emergency service organizations for use of personal motor vehicle in performance of active duty.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT providing a New Jersey gross income tax credit to active
2 members of volunteer emergency service organizations for the
3 use of a personal vehicle in the performance of active duty,
4 supplementing 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. As used in this section:

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

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

26 “Ancillary duty” by an active member of a volunteer emergency
27 services organization means performance of any duty, other than
28 active duty, attendance at official meetings of the organization, or
29 participation in authorized drills, training classes or exercises
30 conducted by the organization, that may be required to maintained
31 membership in good standing in the organization, but shall not
32 include fund-raising or social activity.

33 “Qualifying service” during a taxable year by an active member
34 of a volunteer emergency services organization means:

35 (1) for a volunteer who is not responsible for duty hours, (a)
36 recorded attendance and performance of active duty at not less than
37 60 percent of the regular service alarms or other calls to active duty
38 to which the organization responds during the taxable year, (b)
39 recorded attendance at not less than 60 percent of the official
40 meetings of the organization, (c) attendance at and participation in
41 100 percent of all authorized drills or other training classes or
42 exercises, conducted or sponsored by the organization during the
43 taxable year, in which the organization requires the active member
44 to participate as a condition of the member’s performance of active
45 duty with the organization, and (d) performance during the taxable
46 year of not less than 60 percent of ancillary duty to or with the
47 organization; or

1 (2) for a volunteer who is responsible for duty hours,
2 performance of at least 400 duty hours during the taxable year, of
3 which not more than 50 percent shall be for drills and other training
4 classes or exercises.

5 “Volunteer emergency services organization” means:

6 (1) a fire company, part-paid fire department, volunteer fire
7 department, or fire district designated or incorporated under the
8 laws of this State for the purpose of protecting life and property
9 from fire, serving one or more counties or municipalities within this
10 State; and

11 (2) an emergency first aid, ambulance, or rescue squad or
12 association, composed of volunteers and incorporated or associated
13 as a nonprofit corporation or association under the laws of this
14 State, which provides emergency first aid, ambulance, or rescue
15 services to one or more counties or municipalities within this State.

16 b. A taxpayer who, during the taxable year, is at all times an
17 active member of a volunteer emergency services organization and
18 completes qualifying service with the organization shall be allowed
19 a credit, against the tax otherwise due pursuant to the “New Jersey
20 Gross Income Tax Act,” N.J.S.54A:1-1 et seq. for each mile
21 actually and necessarily traveled by a taxpayer who utilizes their
22 personal vehicle in the performance of active duty.

23 c. The credit shall be in an amount determined by multiplying
24 the standard mileage rate set by the federal Internal Revenue
25 Service, or its successor, to calculate deductible costs of operating
26 an automobile for business purposes for the taxable year in which
27 the credit is claimed by the number of miles actually and
28 necessarily traveled by the taxpayer in the performance of active
29 duty in the taxable year for which the credit is claimed. The
30 amount of the credit shall not exceed \$500 for a single taxpayer. If
31 married individuals filing a joint return under this act shall each
32 meet the requirements to claim the credit, they shall be allowed a
33 total credit against the tax in the amount of \$1,000.

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

39 e. In the case of married individuals filing jointly, each
40 individual shall be permitted to claim the credit pursuant to this
41 section in the taxable year if that individual is eligible for the credit.

42 f. If the credit allowed pursuant to this section, together with
43 any other payments, credits, deductions and adjustments allowed by
44 law, reduced a qualified taxpayer’s tax liability otherwise due under
45 N.J.S.54A:1-1 et seq. to zero, the amount of the credit remaining
46 shall be paid to the taxpayer as a refund of an overpayment in
47 accordance with N.J.S.54A:9-7; provided, however, that subsection

1 (f) of that section, concerning the allowance of interest, shall not
2 apply.

3 g. On or before January 15 of each year, each volunteer
4 emergency services organization shall certify to the Director of the
5 Division of Taxation a list of the active members of the
6 organization during the taxable year ending on the preceding
7 December 31, together with any documentation of that service as
8 the director may require.

9 h. The Director of the Division of Taxation shall adopt, in
10 accordance with the "Administrative Procedure Act," P.L.1968,
11 c.410 (C.52:14B-1 et seq.), such rules and regulations concerning
12 the certification by any volunteer emergency services organization
13 of the performance, by an active member of the organization, of
14 active duty and ancillary duty to or on behalf of the organization,
15 attendance at official meetings of the organization, and participation
16 in authorized drills, training classes and exercises of the
17 organization, together with any other appropriate rules and
18 regulations, as may be necessary to effectuate the purposes of this
19 section.

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

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STATEMENT

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28 This bill establishes a refundable gross income tax credit to
29 provide reimbursement to active members of volunteer fire
30 departments and first aid squads for the use of their personal vehicle
31 in the performance of active duty.

32 The amount of the credit is determined by multiplying the
33 business standard mileage rate set by the Internal Revenue Service
34 for transportation or travel expenses by the number of miles the
35 taxpayer actually and necessarily traveled by the taxpayer in the tax
36 year using their personal vehicle in the performance of active duty.
37 The maximum amount of the credit would be \$500. If married
38 individuals filing a joint return both qualify, they would be allowed
39 a joint credit of up to \$1,000.

40 To be eligible for the credit, a taxpayer would, in the taxable
41 year for which the credit was claimed, have to: (1) have been an
42 unpaid member in good standing of the organization; and (2) have
43 completed "qualifying service" with the organization.

44 The bill defines "qualifying service" as:

45 (a) for a volunteer who does not have duty hours, (i) active
46 participation in at least 60 percent of the regular alarms or other
47 calls to active duty to which the organization responds during the
48 taxable year, (ii) recorded attendance at not less than 60 percent of

1 the organization's mandatory meetings during the year, (iii)
2 participation in all of the organization's mandatory meetings during
3 the year, and (iv) performance during the year of not less than 60
4 percent of any other miscellaneous duty required by the
5 organization; or
6 (b) for a volunteer who does have duty hours, performance of at
7 least 400 duty hours during the year, of which no more than 50
8 percent could be for drills or other training classes or exercises.
9 The bill requires each volunteer emergency services organization
10 to certify to the Director of the Division of Taxation in the
11 Department of the Treasury, on or before January 15 of each year, a
12 list of the active members of the organization during the prior tax
13 year. The certification will assist the Division of Taxation in
14 verifying a taxpayer's eligibility for a gross income tax credit under
15 the bill.