

**ASSEMBLY, No. 134**

---

**STATE OF NEW JERSEY**

**214th LEGISLATURE**

---

PRE-FILED FOR INTRODUCTION IN THE 2010 SESSION

**Sponsored by:**

**Assemblywoman ALISON LITTELL MCHOSE**

**District 24 (Sussex, Hunterdon and Morris)**

**Assemblyman GARY R. CHIUSANO**

**District 24 (Sussex, Hunterdon and Morris)**

**Co-Sponsored by:**

**Assemblyman DeAngelo**

**SYNOPSIS**

Allows corporation business tax and gross income tax credits to businesses providing employment to certain National Guard or reservists.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel



**(Sponsorship Updated As Of: 6/30/2011)**

1 AN ACT allowing a credit against the corporation business tax and  
2 the New Jersey gross income tax to businesses employing  
3 National Guard members and reservists, supplementing  
4 P.L.1945, c.162 (C.54:10A-1 et seq.) and Title 54A of the New  
5 Jersey Statutes.

6

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

9

10 1. a. A taxpayer shall be allowed a credit against the tax  
11 imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5), in  
12 an amount equal to 20% of the salary and wages paid by the  
13 taxpayer during the privilege period for the employment of a  
14 qualified employee but not to exceed \$2,000 for each qualified  
15 person for the privilege period.

16 b. As used in this section:

17 "Qualified employee" means an employee, who is also a member  
18 of the National Guard or of a reserve component of the Armed  
19 Forces of the United States, receiving orders for mobilization to  
20 active duty service.

21 c. The amount of the credit applied under this section against the  
22 tax imposed pursuant to section 5 of P.L.1945, c.162, for a privilege  
23 period, when taken together with any other credits allowed against  
24 the tax imposed pursuant to section 5 of P.L.1945, c.162, shall not  
25 exceed 50% of the tax liability otherwise due and shall not reduce  
26 the tax liability to an amount less than the statutory minimum  
27 provided in subsection (e) of section 5 of P.L.1945, c.162. The  
28 priority in which credits allowed pursuant to this section and any  
29 other credits taken shall be as determined by the Director of the  
30 Division of Taxation. The amount of the credit otherwise allowable  
31 under this section which cannot be applied for the privilege period  
32 due to the limitations of this subsection or under other provisions of  
33 P.L.1945, c.162 may be carried over, if necessary, to the seven  
34 privilege periods following the privilege period for which the credit  
35 was allowed.

36

37 2. a. A taxpayer shall be allowed a credit against the tax  
38 otherwise due for the taxable year under the "New Jersey Gross  
39 Income Tax Act," N.J.S.54A:1-1 et seq., in an amount equal to 20%  
40 of the salary and wages paid by the taxpayer during the taxable year  
41 for the employment of a qualified employee during the taxable year  
42 but not to exceed \$2,000 for each qualified person for the taxable  
43 year.

44 b. As used in this section:

45 "Qualified employee" means an employee, who is also a member  
46 of the National Guard or of a reserve component of the Armed  
47 Forces of the United States, receiving orders for mobilization to  
48 active duty service.

