

ASSEMBLY, No. 1315

STATE OF NEW JERSEY

217th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2016 SESSION

Sponsored by:

Assemblyman DAVID P. RIBLE

District 30 (Monmouth and Ocean)

Assemblyman JON M. BRAMNICK

District 21 (Morris, Somerset and Union)

Assemblyman JAY WEBBER

District 26 (Essex, Morris and Passaic)

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District 19 (Middlesex)

Assemblyman ANTHONY M. BUCCO

District 25 (Morris and Somerset)

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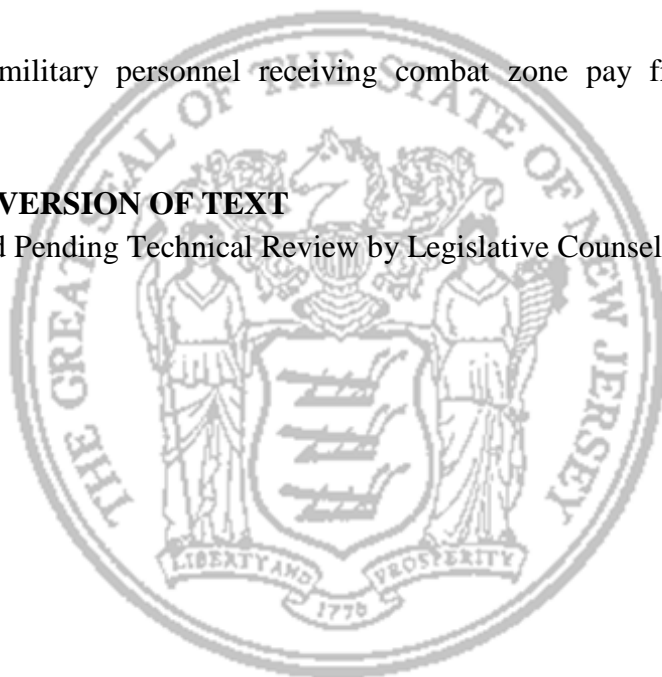
**Assemblyman Diegnan, Assemblywoman N.Munoz, Assemblymen
C.A.Brown, O'Scanlon, McGuckin, Wolfe, Zwicker and S.Kean**

SYNOPSIS

Exempts military personnel receiving combat zone pay from the gross income tax.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 5/12/2017)

1 AN ACT exempting certain military personnel serving in combat
2 zones from the gross income tax, supplementing chapter 2 of
3 Title 54A of the New Jersey Statutes.

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

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8 1. If in a taxable year a taxpayer receives "compensation" for
9 active service as a member of the Armed Forces of the United
10 States, in a combat zone as those terms are defined pursuant to
11 section 112 of the federal Internal Revenue Code of 1986, 26
12 U.S.C. s.112, then the taxpayer shall not be subject to the "New
13 Jersey Gross Income Tax Act", N.J.S.54A:1-1 et seq., for that
14 taxable year and if that taxpayer files a joint return for federal tax
15 purposes then the joint income of the married taxpayers shall not be
16 subject to tax for that taxable year.

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18 2. This act shall take effect immediately and apply to taxable
19 years beginning on or after January 1, 2004.

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STATEMENT

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24 This bill exempts all income of a taxpayer from taxation under
25 the gross income tax (single, married filing jointly, married filing
26 separate, head of household, or surviving spouse) if any part of the
27 income received in the taxable year was compensation for active
28 service as a member of the Armed Forces of the United States in a
29 combat zone. A combat zone is designated by Executive Order of
30 the President as an area in which the United States Armed Forces
31 are engaging or have engaged in combat. There are currently three
32 such combat zones including the airspace above each.

33 There are also qualified hazardous duty areas which are treated
34 as combat zones.

35 Many New Jersey residents as reservists are going through an
36 extraordinary sacrifice of being called to active duty in a combat
37 zone, leaving at home a spouse and family. The spouse is left to get
38 by on less money, yet some of the family income may be taxable.
39 Under this bill, if any amount of total income is combat zone
40 compensation, then all of the income of the taxpayer (and spouse, if
41 filing jointly) will not be subject to New Jersey gross income tax for
42 the taxable year.