

ASSEMBLY, No. 1626

STATE OF NEW JERSEY 214th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2010 SESSION

Sponsored by:

Assemblyman DECLAN J. O'SCANLON, JR.

District 12 (Mercer and Monmouth)

Assemblywoman CAROLINE CASAGRANDE

District 12 (Mercer and Monmouth)

SYNOPSIS

Provides a gross income tax credit of up to \$7,500 for qualified home purchases made by certain first-time homebuyers in the remaining portion of taxable year 2009, taxable year 2010 and taxable year 2011.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



1 AN ACT providing a gross income tax credit of up to \$7,500 for
2 qualified home purchases made by certain first-time homebuyers
3 in the remaining portion of taxable year 2009, taxable year 2010
4 and taxable year 2011, supplementing 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. (1) A qualified taxpayer shall be allowed a credit against
11 the tax otherwise due under the "New Jersey Gross Income Tax
12 Act," N.J.S.54A:1-1 et seq., for the taxable years ending on
13 December 31, 2009, December 31, 2010 and December 31, 2011, in
14 an amount equal to ten percent of a qualified home purchase price
15 or \$7,500, whichever is less.

16 (2) If two or more qualified taxpayers make a qualified home
17 purchase jointly, the amount of the credit allowed shall be allocated
18 among such individuals in such manner as the director may
19 prescribe, except that the total amount of the credits allowed to all
20 such individuals shall not exceed \$7,500.

21 b. If a taxpayer's filing status is single, married or civil union
22 filing separately, head of household or qualifying widow or
23 widower or surviving civil union partner and the taxpayer has gross
24 income for the taxable year that exceeds \$225,000, the amount of
25 the credit allowed under subsection a. of this section for the taxable
26 year shall be reduced by the amount calculated by: (1) dividing the
27 amount of the taxpayer's gross income in excess of \$225,000 by
28 \$20,000; (2) subtracting 1.0 from the resultant quotient; and (3)
29 multiplying the resultant difference by \$7,500.

30 c. If a taxpayer's filing status is married or civil union filing
31 jointly and the taxpayer has gross income for the taxable year that
32 exceeds \$450,000, the amount of the credit allowed under
33 subsection a. of this section for the taxable year shall be reduced by
34 the amount calculated by: (1) dividing the amount of the taxpayer's
35 gross income in excess of \$450,000 by \$20,000; (2) subtracting 1.0
36 from the resultant quotient; and (3) multiplying the resultant
37 difference by \$7,500.

38 d. If the credit allowed pursuant to subsection a. of this section
39 reduces the tax liability otherwise due to zero, any amount of credit
40 remaining shall be paid to the taxpayer as a refund of an
41 overpayment of tax pursuant to N.J.S.54A:9-7, provided however,
42 subsection (f) of that section, concerning the allowance of interest,
43 shall not apply. The director shall determine the form and manner
44 by which a taxpayer shall apply for and be eligible to receive a
45 refund of an overpayment pursuant to this section.

46 e. As used in this section:

A1626 O'SCANLON, CASAGRANDE

4

1 excess of \$245,000 and joint filers with gross income in excess of
2 \$470,000.

3 The credit offered is available on and after the effective date of
4 this bill but before January 1, 2012.