Sponsored by:
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SYNOPSIS
Allows gross income tax deduction for charitable contributions to certain State-based charitable organizations.

CURRENT VERSION OF TEXT
As introduced.
AN ACT allowing a gross income tax deduction for charitable
contributions to certain New Jersey-based charitable
organizations, supplementing chapter 3 of Title 54A of the New
Jersey Statutes.

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

1. a. A taxpayer shall be allowed to deduct from gross income
the amount of charitable contributions made to a qualified New
Jersey-based charitable organization in the taxable year equal to the
amount that is allowable as a deduction from federal adjusted gross
income for the federal taxable year pursuant to section 170 of the

b. For the purposes of this section, “qualified New Jersey-
based charitable organization” means a charitable organization that:
(1) is registered pursuant to the “Charitable Registration and
Investigation Act,” P.L.1994, c.16 (C.45:17A-18 et seq.), or an
organization that is exempt from the registration requirements of
that act pursuant to section 9 of P.L.1994, c.16 (C.45:17A-26);
(2) maintains an office or employs persons in the State; and
(3) provides services in this State.

2. This act shall take effect immediately and apply to charitable
contributions made in taxable years beginning on or after the
January 1 next following the date of enactment.

STATEMENT

This bill allows a New Jersey gross income tax deduction for
charitable contributions that are made to certain State-based
charitable organizations to encourage philanthropic giving to New
Jersey charities.
Under the bill, New Jersey gross income taxpayers are allowed
to deduct from gross income charitable contributions that are made
during the taxable year to a qualified New Jersey-based charitable
organization. The bill provides that the amount of the deduction is
limited to the amount of charitable contributions that is allowable as
a deduction from federal adjusted gross income to the taxpayer for
the federal taxable year pursuant to section 170 of the federal

The deduction allowed by the bill mirrors the federal income tax
deduction for charitable contributions and is allowed regardless of
whether the federal itemized deduction is taken by the taxpayer.
Thus, the deduction is equal to the amount “allowable” by Internal
Revenue Code section 170, not just the deduction allowed and taken.
The bill defines “qualified New Jersey-based charitable organization” as a charitable organization that: (1) is registered pursuant to the “Charitable Registration and Investigation Act,” or an organization that is exempt from the registration requirements of that act, (2) maintains an office or employs persons in the State, and (3) provides services in the State.