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District 7 (Burlington)
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District 6 (Burlington and Camden)

Co-Sponsored by:
Assemblyman Benson and Assemblywoman Vainieri Huttle

SYNOPSIS
“Lindsay’s Law”; provides tax benefits to organ and bone marrow donors and their employers, and provides paid time off to donors who are State or local government employees.

CURRENT VERSION OF TEXT
As introduced.

(Sponsorship Updated As Of: 1/10/2020)
AN ACT concerning incentives for organ and bone marrow donation, designated as Lindsay’s Law, supplementing various parts of the statutory law.

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

1. A State employee, employee of a political subdivision of the State, or employee of an agency, authority, or instrumentality thereof, in the career, unclassified, or senior executive service shall be granted a leave of absence with pay and without loss of rights, privileges or benefits, for the purpose of donating one or more of their human organs, or a part thereof, or bone marrow to another human for human organ transplantation. The paid leave shall be up to 30 days for the donation of an organ or a part of an organ and up to five days for the donation of bone marrow, and shall be in addition to any other type of leave to which an employee may be entitled.

2. An employee holding any office, position, or employment in local school district, regional school district, or county vocational school of the State who is steadily employed by the board of education or who is protected by tenure in the office, position, or employment under the provisions of any law, except a person in the classified service of the civil service under Title 11A of the New Jersey Statutes, shall be granted a leave of absence with pay and without loss of rights, privileges or benefits, for the purpose of donating one or more of their human organs, or a part thereof, or bone marrow to another human for human organ transplantation. The paid leave shall be up to 30 days for the donation of an organ or a part of an organ and up to five days for the donation of bone marrow, and shall be in addition to any other type of leave to which an employee may be entitled.

3. An employee holding any office, position, or employment in a political subdivision of the State, or an agency, authority or instrumentality thereof, that has not adopted the provisions of Title 11A of the New Jersey Statutes, shall be granted a leave of absence with pay and without loss of rights, privileges or benefits, for the purpose of donating one or more of their human organs, or a part thereof, or bone marrow to another human for human organ transplantation. The paid leave shall be up to 30 days for the donation of an organ or a part of an organ and up to five days for the donation of bone marrow, and shall be in addition to any other type of leave to which an employee may be entitled.

4. a. A taxpayer shall be allowed to deduct from gross income up to $10,000 of unreimbursed expenses specified in subsection b.
of this section if the taxpayer or the taxpayer’s dependent donates
one or more of their human organs, or a part thereof, or bone
marrow to another human for human organ transplantation.
b. The deduction allowed pursuant to this section may be
claimed only for reasonable unreimbursed travel expenses, lodging
expenses, and lost wages that are related to the donation and are
incurred by the taxpayer in the taxable year.
c. The deduction allowed pursuant to this section shall be
claimed in the taxable year in which the human organ
transplantation occurs, except that any expenses specified in
subsection b. of this section that are incurred in the previous or
subsequent taxable year shall be claimed in the taxable year in
which the expenses are incurred, but the combined amount deducted
shall not exceed $10,000.

5. a. A taxpayer that employs a person who missed time from
work during the taxable year because the person donated one or
more of the person’s human organs, or a part thereof, or bone
marrow to another human for human organ transplantation, shall be
allowed a credit against the tax otherwise due
for the taxable year
seq., in an amount equal to 25 percent of the person’s salary during
the time missed from work, for up to 30 days of missed work for
each donation.
   A taxpayer shall only be allowed this credit for the time that the
taxpayer grants the person paid time off and only if such time is in
addition to any other paid time off granted to the person.
b. The order of priority of the application of the credit allowed
pursuant to this section and any other credits allowed pursuant to
the “New Jersey Gross Income Tax Act” N.J.S.54A:1-1 et seq. for a
taxable year shall be as prescribed by the director. The amount of
the credit applied under this section against the tax imposed for a
taxable year, together with any other credits allowed by law, shall
not reduce the tax liability to an amount less than zero.
c. A business entity that is classified as a partnership for
federal income tax purposes shall not be allowed the credit directly,
but the amount of credit of a taxpayer in respect of a distributive
share of partnership income shall be determined by allocating to the
taxpayer that proportion of the credit acquired by the partnership
that is equal to the taxpayer’s share, whether or not distributed, of
the total distributive income or gain of the partnership for its
taxable year ending within or with the taxpayer’s taxable year. Any
remaining credit shall not be carried forward to another taxable
year.
   A taxpayer that is a New Jersey S corporation shall not be
allowed the credit directly, but the amount of credit of a taxpayer in
respect of a pro rata share of S corporation income shall be
6. a. A taxpayer that employs a person who missed time from work because the person donated one or more of the person’s human organs, or a part thereof, or bone marrow to another human for human organ transplantation, shall be allowed a credit against the tax imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5), in an amount equal to 25 percent of the person’s salary during the time missed from work, for up to 30 days of missed work for each donation.

   A taxpayer shall only be allowed this credit for the time that the taxpayer grants the person paid time off and only if such time is in addition to any other paid time off granted to the person.

   b. A taxpayer shall apply the credit allowed pursuant to this section to the privilege period during which the person missed time from work.

   c. The director shall prescribe the order of priority of the application of the credit allowed under this section and any other credits allowed by law against the tax imposed under section 5 of P.L.1945, c.162 (C.54:10A-5). The amount of the credit applied under this section against the tax imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5) for a privilege period, together with any other credits allowed by law, shall not reduce the tax liability to an amount less than the statutory minimum provided in subsection (e) of section 5 of P.L.1945, c.162 (C.54:10A-5). Any remaining credit shall not be carried forward to another privilege period.

7. This act shall take effect 120 days following enactment.

STATEMENT

This bill provides tax benefits to people that donate an organ or bone marrow, and paid time off to donors who are State or local government employees. In addition, the bill provides a tax credit to employers of donors who miss time from work.

The bill grants all State and local government employees, including public school employees, a leave of absence with pay for donating an organ or bone marrow to another person. The paid leave is up to 30 work days for an organ donation and up to five work days for a bone marrow donation.

According to the United Network for Organ Sharing, organ donors typically spend between four to seven days in the hospital.
following their donation. On average, donors can return to normal
activities one month following their donation and can return to
work approximately six weeks following their donation. According
to the National Marrow Donor Program, it typically takes one to
seven days for a bone marrow donor to return to work, school, and
most other activities following their donation.

Pursuant to the bill, taxpayers may deduct up to $10,000 of
unreimbursed expenses incurred for their own, or a dependent’s,
organ or bone marrow donation.

In addition, employers of donors are granted a tax credit equal to
25 percent of the donor’s salary during the time missed from work,
for up to 30 work days. An employer is only eligible for the credit if
the employer gives the employee paid time off specifically for the
donation and only for those days that are paid time off. For
example, if the employer gives 10 days of paid time off for the
donation, then the employer would be eligible to claim a credit
equal to 25 percent of the donor’s salary for those 10 days.

The bill is designated as “Lindsay’s Law” in honor of Lindsay
Clark, a kidney donor and resident of Pine Hill, New Jersey.