

SENATE, No. 4188

STATE OF NEW JERSEY

218th LEGISLATURE

INTRODUCED NOVEMBER 7, 2019

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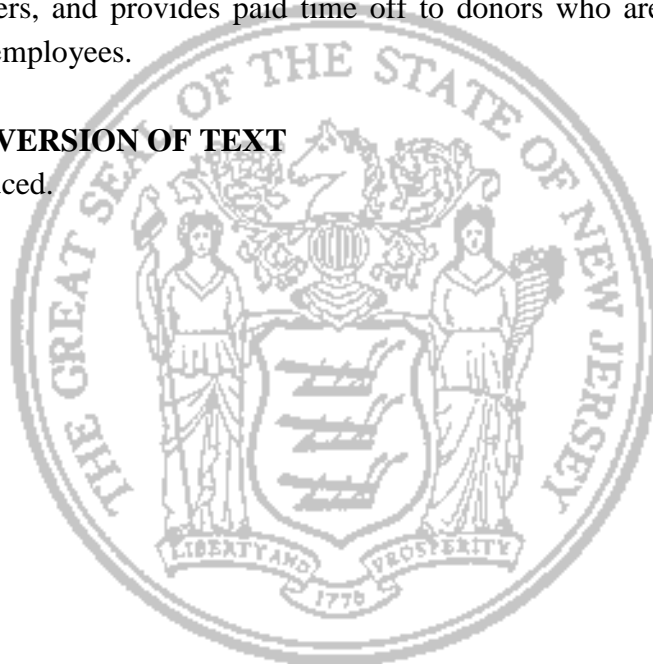
**Senators O'Scanlon, Diegnan, Greenstein, Madden, Assemblyman Benson,
Assemblywomen Vainieri Huttle and Mosquera**

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: 1/14/2020)

1 AN ACT concerning incentives for organ and bone marrow donation,
2 designated as Lindsay's Law, supplementing various parts of the
3 statutory law.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. A State employee, employee of a political subdivision of the
9 State, or employee of an agency, authority, or instrumentality thereof,
10 in the career, unclassified, or senior executive service shall be
11 granted a leave of absence with pay and without loss of rights,
12 privileges or benefits, for the purpose of donating one or more of
13 their human organs, or a part thereof, or bone marrow to another
14 human for human organ transplantation. The paid leave shall be up
15 to 30 days for the donation of an organ or a part of an organ and up
16 to five days for the donation of bone marrow, and shall be in addition
17 to any other type of leave to which an employee may be entitled.

18
19 2. An employee holding any office, position, or employment in
20 local school district, regional school district, or county vocational
21 school of the State who is steadily employed by the board of
22 education or who is protected by tenure in the office, position, or
23 employment under the provisions of any law, except a person in the
24 classified service of the civil service under Title 11A of the New
25 Jersey Statutes, shall be granted a leave of absence with pay and
26 without loss of rights, privileges or benefits, for the purpose of
27 donating one or more of their human organs, or a part thereof, or bone
28 marrow to another human for human organ transplantation. The paid
29 leave shall be up to 30 days for the donation of an organ or a part of
30 an organ and up to five days for the donation of bone marrow, and
31 shall be in addition to any other type of leave to which an employee
32 may be entitled.

33
34 3. An employee holding any office, position, or employment in
35 a political subdivision of the State, or an agency, authority or
36 instrumentality thereof, that has not adopted the provisions of Title
37 11A of the New Jersey Statutes, shall be granted a leave of absence
38 with pay and without loss of rights, privileges or benefits, for the
39 purpose of donating one or more of their human organs, or a part
40 thereof, or bone marrow to another human for human organ
41 transplantation. The paid leave shall be up to 30 days for the donation
42 of an organ or a part of an organ and up to five days for the donation
43 of bone marrow, and shall be in addition to any other type of leave to
44 which an employee may be entitled.

45
46 4. a. A taxpayer shall be allowed to deduct from gross income
47 up to \$10,000 of unreimbursed expenses specified in subsection b. of
48 this section if the taxpayer or the taxpayer's dependent donates one

1 or more of their human organs, or a part thereof, or bone marrow to
2 another human for human organ transplantation.

3 b. The deduction allowed pursuant to this section may be
4 claimed only for reasonable unreimbursed travel expenses, lodging
5 expenses, and lost wages that are related to the donation and are
6 incurred by the taxpayer in the taxable year.

7 c. The deduction allowed pursuant to this section shall be
8 claimed in the taxable year in which the human organ transplantation
9 occurs, except that any expenses specified in subsection b. of this
10 section that are incurred in the previous or subsequent taxable year
11 shall be claimed in the taxable year in which the expenses are
12 incurred, but the combined amount deducted shall not exceed
13 \$10,000.

14

15 5. a. A taxpayer that employs a person who missed time from
16 work during the taxable year because the person donated one or more
17 of the person's human organs, or a part thereof, or bone marrow to
18 another human for human organ transplantation, shall be allowed a
19 credit against the tax otherwise due for the taxable year under the
20 "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., in an
21 amount equal to 25 percent of the person's salary during the time
22 missed from work, for up to 30 days of missed work for each
23 donation.

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

27 b. The order of priority of the application of the credit allowed
28 pursuant to this section and any other credits allowed pursuant to the
29 "New Jersey Gross Income Tax Act" N.J.S.54A:1-1 et seq. for a
30 taxable year shall be as prescribed by the director. The amount of the
31 credit applied under this section against the tax imposed for a taxable
32 year, together with any other credits allowed by law, shall not reduce
33 the tax liability to an amount less than zero.

34 c. A business entity that is classified as a partnership for federal
35 income tax purposes shall not be allowed the credit directly, but the
36 amount of credit of a taxpayer in respect of a distributive share of
37 partnership income shall be determined by allocating to the taxpayer
38 that proportion of the credit acquired by the partnership that is equal
39 to the taxpayer's share, whether or not distributed, of the total
40 distributive income or gain of the partnership for its taxable year
41 ending within or with the taxpayer's taxable year. Any remaining
42 credit shall not be carried forward to another taxable year.

43 A taxpayer that is a New Jersey S corporation shall not be allowed
44 the credit directly, but the amount of credit of a taxpayer in respect
45 of a pro rata share of S corporation income shall be determined by
46 allocating to the taxpayer that proportion of the credit acquired by
47 the New Jersey S corporation that is equal to the taxpayer's share,
48 whether or not distributed, of the total pro-rata share of S corporation

1 income of the New Jersey S corporation for its privilege period
2 ending within or with the taxpayer's taxable year.

3
4 6. a. A taxpayer that employs a person who missed time from
5 work because the person donated one or more of the person's human
6 organs, or a part thereof, or bone marrow to another human for human
7 organ transplantation, shall be allowed a credit against the tax
8 imposed pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5), in an
9 amount equal to 25 percent of the person's salary during the time
10 missed from work, for up to 30 days of missed work for each
11 donation.

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

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

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

28
29 7. This act shall take effect 120 days following enactment.

30 31 32 STATEMENT

33
34 This bill provides tax benefits to people that donate an organ or
35 bone marrow, and paid time off to donors who are State or local
36 government employees. In addition, the bill provides a tax credit to
37 employers of donors who miss time from work.

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

43 According to the United Network for Organ Sharing, organ donors
44 typically spend between four to seven days in the hospital following
45 their donation. On average, donors can return to normal activities one
46 month following their donation and can return to work approximately
47 six weeks following their donation. According to the National
48 Marrow Donor Program, it typically takes one to seven days for a

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1 bone marrow donor to return to work, school, and most other
2 activities following their donation.

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

6 In addition, employers of donors are granted a tax credit equal to
7 25 percent of the donor's salary during the time missed from work,
8 for up to 30 work days. An employer is only eligible for the credit if
9 the employer gives the employee paid time off specifically for the
10 donation and only for those days that are paid time off. For example,
11 if the employer gives 10 days of paid time off for the donation, then
12 the employer would be eligible to claim a credit equal to 25 percent
13 of the donor's salary for those 10 days.

14 The bill is designated as "Lindsay's Law" in honor of Lindsay
15 Clark, a kidney donor and resident of Pine Hill, New Jersey.