

ASSEMBLY, No. 2004

STATE OF NEW JERSEY 219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

**Assemblyman JON M. BRAMNICK
District 21 (Morris, Somerset and Union)**

Co-Sponsored by:

**Assemblyman Webber, Assemblywoman N.Munoz, Assemblymen Space,
S.Kean and Wirths**

SYNOPSIS

Reduces gross income tax rates by ten percent over three years.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



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1 AN ACT reducing gross income tax rates, amending N.J.S.54A:2-1.

2

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

5

6 1. N.J.S.54A:2-1 is amended to read as follows:

7 54A:2-1. Imposition of tax. There is hereby imposed a tax for
8 each taxable year (which shall be the same as the taxable year for
9 federal income tax purposes) on the New Jersey gross income as
10 herein defined of every individual, estate or trust (other than a
11 charitable trust or a trust forming part of a pension or profit-sharing
12 plan), subject to the deductions, limitations and modifications
13 hereinafter provided, determined in accordance with the following
14 tables with respect to taxpayers' taxable income:

15 a. For married individuals filing a joint return and individuals
16 filing as head of household or as surviving spouse for federal
17 income tax purposes:

18 (1) for taxable years beginning on or after January 1, 1991 but
19 before January 1, 1994:

20

If the taxable income is:	The tax is:
Not over \$20,000.00	2% of taxable income
Over \$20,000.00 but not over \$50,000.00	\$400.00 plus 2.5% of the excess over \$20,000.00
Over \$50,000.00 but not over \$70,000.00	\$1,150.00 plus 3.5% of the excess over \$50,000.00
Over \$70,000.00 but not over \$80,000.00	\$1,850.00 plus 5.0% of the excess over \$70,000.00
Over \$80,000.00 but not over \$150,000.00	\$2,350.00 plus 6.5% of the excess over \$80,000.00
Over \$150,000.00	\$6,900.00 plus 7.0% of the excess over \$150,000.00

37

38 (2) for taxable years beginning on or after January 1, 1994 but
39 before January 1, 1995:

40

If the taxable income is:	The tax is:
Not over \$20,000.00 . . .	1.900% of taxable income

41

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

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1	Over \$20,000.00 but not	
2	over \$50,000.00	\$380.00 plus 2.375% of the
3		excess over \$20,000.00
4	Over \$50,000.00 but not	
5	over \$70,000.00	\$1,092.50 plus 3.325% of the
6		excess over \$50,000.00
7	Over \$70,000.00 but not	
8	over \$80,000.00	\$1,757.50 plus 4.750% of the
9		excess over \$70,000.00
10	Over \$80,000.00 but not	
11	over \$150,000.00	\$2,232.50 plus 6.175% of the
12		excess over \$80,000.00
13		
14	Over \$150,000.00	\$6,555.00 plus 6.650% of the
15		excess over \$150,000.00
16		

17 (3) for taxable years beginning on or after January 1, 1995 but
18 before January 1, 1996:

19		
20	If the taxable income is:	The tax is:
21		
22	Not over \$20,000.00	1.700% of taxable income
23		
24	Over \$20,000.00 but not	
25	over \$50,000.00	\$340.00 plus 2.125% of the
26		excess over \$20,000.00
27	Over \$50,000.00 but not	
28	over \$70,000.00	\$977.50 plus 2.975% of the
29		excess over \$50,000.00
30	Over \$70,000.00 but not	
31	over \$80,000.00	\$1,572.50 plus 4.250% of the
32		excess over \$70,000.00
33	Over \$80,000.00 but not	
34	over \$150,000.00	\$1,997.50 plus 6.013% of the
35		excess over \$80,000.00
36		
37	Over \$150,000.00	\$6,206.60 plus 6.580% of the
38		excess over \$150,000.00
39		

40 (4) for taxable years beginning on or after January 1, 1996 but
41 before January 1, 2004:

42		
43	If the taxable income is:	The tax is:
44	Not over \$20,000.00	1.400% of taxable income
45		
46	Over \$20,000.00 but not	
47	over \$50,000.00	\$280.00 plus 1.750% of the
48		excess over \$20,000.00

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1	Over \$50,000.00 but not	
2	over \$70,000.00	\$805.00 plus 2.450% of the
3		excess over \$50,000.00
4	Over \$70,000.00 but not	
5	over \$80,000.00	\$1,295.50 plus 3.500% of the
6		excess over \$70,000.00
7	Over \$80,000.00 but not	
8	over \$150,000.00	\$1,645.00 plus 5.525% of the
9		excess over \$80,000.00
10		
11	Over \$150,000.00	\$5,512.50 plus 6.370% of the
12		excess over \$150,000.00

13
14 (5) for taxable years beginning on or after January 1, 2004 but
15 before January 1, 2013:

16		
17	If the taxable income is:	The tax is:
18		
19	Not over \$20,000.00	1.400% of taxable income
20		
21	Over \$20,000.00 but not	
22	over \$50,000.00	\$280.00 plus 1.750% of the
23		excess over \$20,000.00
24	Over \$50,000.00 but not	
25	over \$70,000.00	\$805.00 plus 2.450% of the
26		excess over \$50,000.00
27	Over \$70,000.00 but not	
28	over \$80,000.00	\$1,295.50 plus 3.500% of the
29		excess over \$70,000.00
30	Over \$80,000.00 but not	
31	over \$150,000.00	\$1,645.00 plus 5.525% of the
32		excess over \$80,000.00
33	Over \$150,000.00 but not	
34	over \$500,000.00	\$5,512.50 plus 6.370% of the
35		excess over \$150,000.00
36		
37	Over \$500,000.00	\$27,807.50 plus 8.970% of the
38		excess over \$500,000.00

39
40 (6) for taxable years beginning on or after January 1, 2013 but
41 before January 1, 2014:

42		
43	<u>If the taxable income is:</u>	<u>The tax is:</u>
44		
45	<u>Not over \$20,000.00</u>	<u>1.353% of taxable income</u>
46	<u>Over \$20,000.00 but not</u>	
47	<u>over \$50,000.00</u>	<u>\$270.60 plus 1.692% of the</u>
48		<u>excess over \$20,000.00</u>

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1	<u>Over \$50,000.00 but not</u>	
2	<u>over \$70,000.00</u>	<u>\$778.20 plus 2.368% of the</u>
3		<u>excess over \$50,000.00</u>
4	<u>Over \$70,000.00 but not</u>	
5	<u>over \$80,000.00</u>	<u>\$1,251.80 plus 3.383% of the</u>
6		<u>excess over \$70,000.00</u>
7	<u>Over \$80,000.00 but not</u>	
8	<u>over \$150,000.00</u>	<u>\$1,590.10 plus 5.341% of the</u>
9		<u>excess over \$80,000.00</u>
10	<u>Over \$150,000.00 but not</u>	
11	<u>over \$500,000.00</u>	<u>\$5,328.80 plus 6.158% of the</u>
12		<u>excess over \$150,000.00</u>
13		
14	<u>Over \$500,000.00</u>	<u>\$26,881.80 plus 8.671% of the</u>
15		<u>excess over \$500,000.00</u>
16		

17 (7) for taxable years beginning on or after January 1, 2014 but
18 before January 1, 2015:

19		
20	<u>If the taxable income is:</u>	<u>The tax is:</u>
21		
22	<u>Not over \$20,000.00</u>	<u>1.306% of taxable income</u>
23		
24	<u>Over \$20,000.00 but not</u>	
25	<u>over \$50,000.00</u>	<u>\$261.20 plus 1.634% of the</u>
26		<u>excess over \$20,000.00</u>
27	<u>Over \$50,000.00 but not</u>	
28	<u>over \$70,000.00</u>	<u>\$751.40 plus 2.286% of the</u>
29		<u>excess over \$50,000.00</u>
30	<u>Over \$70,000.00 but not</u>	
31	<u>over \$80,000.00</u>	<u>\$1,208.60 plus 3.266% of the</u>
32		<u>excess over \$70,000.00</u>
33	<u>Over \$80,000.00 but not</u>	
34	<u>over \$150,000.00</u>	<u>\$1,535.20 plus 5.157% of the</u>
35		<u>excess over \$80,000.00</u>
36	<u>Over \$150,000.00 but not</u>	
37	<u>over \$500,000.00</u>	<u>\$5,145.10 plus 5.946% of the</u>
38		<u>excess over \$150,000.00</u>
39		
40	<u>Over \$500,000.00</u>	<u>\$25,956.10 plus 8.372% of the</u>
41		<u>excess over \$500,000.00</u>
42		

43 (8) for taxable years beginning on or after January 1, 2015:

44		
45	<u>If the taxable income is:</u>	<u>The tax is:</u>
46		
47	<u>Not over \$20,000.00</u>	<u>1.260% of taxable income</u>
48	<u>Over \$20,000.00 but not</u>	

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1	<u>over \$50,000.00</u>	<u>\$252.00 plus 1.575% of the</u>
2		<u>excess over \$20,000.00</u>
3	<u>Over \$50,000.00 but not</u>	
4	<u>over \$70,000.00</u>	<u>\$724.50 plus 2.205% of the</u>
5		<u>excess over \$50,000.00</u>
6	<u>Over \$70,000.00 but not</u>	
7	<u>over \$80,000.00</u>	<u>\$1,165.50 plus 3.150% of the</u>
8		<u>excess over \$70,000.00</u>
9	<u>Over \$80,000.00 but not</u>	
10	<u>over \$150,000.00</u>	<u>\$1,480.50 plus 4.973% of the</u>
11		<u>excess over \$80,000.00</u>
12	<u>Over \$150,000.00 but not</u>	
13	<u>over \$500,000.00</u>	<u>\$4,961.60 plus 5.734% of the</u>
14		<u>excess over \$150,000.00</u>
15		
16	<u>Over \$500,000.00.</u>	<u>\$25,030.60 plus 8.074% of the</u>
17		<u>excess over \$500,000.00</u>
18		

19 b. For married individuals filing separately, unmarried
 20 individuals other than individuals filing as head of household or as
 21 a surviving spouse for federal income tax purposes, and estates and
 22 trusts:

23
 24 (1) for taxable years beginning on or after January 1, 1991 but
 25 before January 1, 1994:

26		
27	If the taxable income is:	The tax is:
28		
29	Not over \$20,000.00	2% of taxable income
30		
31	Over \$20,000.00 but not	
32	over \$35,000.00	\$400.00 plus 2.5% of the excess
33		over \$20,000.00
34	Over \$35,000.00 but not	
35	over \$40,000.00	\$775.00 plus 5.0% of the excess
36		over \$35,000.00
37		
38	Over \$40,000.00 but not	
39	over \$75,000.00	\$1,025.00 plus 6.5% of the
40		excess over \$40,000.00
41		
42	Over \$75,000.00	\$3,300.00 plus 7.0% of the
43		excess over \$75,000.00
44		

45 (2) for taxable years beginning on or after January 1, 1994 but
 46 before January 1, 1995:

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1	If the taxable income is:	The tax is:
2		
3	Not over \$20,000.00	1.900% of taxable income
4		
5	Over \$20,000.00 but not	
6	over \$35,000.00	\$380.00 plus 2.375% of the
7		excess over \$20,000.00
8	Over \$35,000.00 but not	
9	over \$40,000.00	\$736.25 plus 4.750% of the
10		excess over \$35,000.00
11	Over \$40,000.00 but not	
12	over \$75,000.00	\$973.75 plus 6.175% of the
13		excess over \$40,000.00
14		
15	Over \$75,000.00	\$3,135.00 plus 6.650% of the
16		excess over \$75,000.00
17		

18 (3) for taxable years beginning on or after January 1, 1995 but
19 before January 1, 1996:

21	If the taxable income is:	The tax is:
22		
23	Not over \$20,000.00	1.700% of taxable income
24		
25	Over \$20,000.00 but not	
26	over \$35,000.00	\$340.00 plus 2.125% of the
27		excess over \$20,000.00
28	Over \$35,000.00 but not	
29	over \$40,000.00	\$658.75 plus 4.250% of the
30		excess over \$35,000.00
31	Over \$40,000.00 but not	
32	over \$75,000.00	\$871.25 plus 6.013% of the
33		excess over \$40,000.00
34		
35	Over \$75,000.00	\$2,975.80 plus 6.580% of the
36		excess over \$75,000.00

37 (4) for taxable years beginning on or after January 1, 1996 but
38 before January 1, 2004:

40	If the taxable income is:	The tax is:
41		
42	Not over \$20,000.00	1.400% of taxable income
43		
44	Over \$20,000.00 but not	
45	over \$35,000.00	\$280.00 plus 1.750% of the
46		excess over \$20,000.00
47	Over \$35,000.00 but not	

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1	over \$40,000.00	\$542.50 plus 3.500% of the
2		excess over \$35,000.00
3	Over \$40,000.00 but not	
4	over \$75,000.00	\$717.50 plus 5.525% of the
5		excess over \$40,000.00
6		
7	Over \$75,000.00	\$2,651.25 plus 6.370% of the
8		excess over \$75,000.00
9		

10 (5) for taxable years beginning on or after January 1, 2004 but
 11 before January 1, 2013:

12		
13	If the taxable income is:	The tax is:
14		
15	Not over \$20,000.00	1.400% of taxable income
16		
17	Over \$20,000.00 but not	
18	over \$35,000.00	\$280.00 plus 1.750% of the
19		excess over \$20,000.00
20	Over \$35,000.00 but not	
21	over \$40,000.00	\$542.50 plus 3.500% of the
22		excess over \$35,000.00
23	Over \$40,000.00 but not	
24	over \$75,000.00	\$717.50 plus 5.525% of the
25		excess over \$40,000.00
26	Over \$75,000.00 but not	
27	over \$500,000.00	\$2,651.25 plus 6.370% of the
28		excess over \$75,000.00
29		
30	Over \$500,000.00	\$29,723.75 plus 8.970% of the
31		excess over \$500,000.00
32		

33 (6) for taxable years beginning on or after January 1, 2013 but
 34 before January 1, 2014:

35		
36	<u>If the taxable income is:</u>	<u>The tax is:</u>
37		
38	<u>Not over \$20,000.00</u>	<u>1.353% of taxable income</u>
39		
40	<u>Over \$20,000.00 but not</u>	
41	<u>over \$35,000.00</u>	<u>\$270.60 plus 1.692% of the</u>
42		<u>excess over \$20,000.00</u>
43	<u>Over \$35,000.00 but not</u>	
44	<u>over \$40,000.00</u>	<u>\$524.40 plus 3.383% of the</u>
45		<u>excess over \$35,000.00</u>
46	<u>Over \$40,000.00 but not</u>	
47	<u>over \$75,000.00</u>	<u>\$693.55 plus 5.341% of the</u>
48		<u>excess over \$40,000.00</u>

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1	<u>Over \$75,000.00 but not</u>	
2	<u>over \$500,000.00</u>	<u>\$2,562.90 plus 6.158% of the</u>
3		<u>excess over \$75,000.00</u>
4		
5	<u>Over \$500,000.00</u>	<u>\$28,734.40 plus 8.671% of the</u>
6		<u>excess over \$500,000.00</u>
7		
8	<u>(7) for taxable years beginning on or after January 1, 2014 but</u>	
9	<u>before January 1, 2015:</u>	
10		
11	<u>If the taxable income is:</u>	<u>The tax is:</u>
12		
13	<u>Not over \$20,000.00</u>	<u>1.307% of taxable income</u>
14		
15	<u>Over \$20,000.00 but not</u>	
16	<u>over \$35,000.00</u>	<u>\$261.40 plus 1.633% of the</u>
17		<u>excess over \$20,000.00</u>
18	<u>Over \$35,000.00 but not</u>	
19	<u>over \$40,000.00</u>	<u>\$506.35 plus 3.267% of the</u>
20		<u>excess over \$35,000.00</u>
21	<u>Over \$40,000.00 but not</u>	
22	<u>over \$75,000.00</u>	<u>\$669.70 plus 5.157% of the</u>
23		<u>excess over \$40,000.00</u>
24	<u>Over \$75,000.00 but not</u>	
25	<u>over \$500,000.00</u>	<u>\$2,474.65 plus 5.946% of the</u>
26		<u>excess over \$75,000.00</u>
27		
28	<u>Over \$500,000.00</u>	<u>\$27,745.15 plus 8.373% of the</u>
29		<u>excess over \$500,000.00</u>
30		
31	<u>(8) for taxable years beginning on or after January 1, 2015:</u>	
32		
33	<u>If the taxable income is:</u>	<u>The tax is:</u>
34		
35	<u>Not over \$20,000.00</u>	<u>1.260% of taxable income</u>
36		
37	<u>Over \$20,000.00 but not</u>	
38	<u>over \$35,000.00</u>	<u>\$252.00 plus 1.575% of the</u>
39		<u>excess over \$20,000.00</u>
40	<u>Over \$35,000.00 but not</u>	
41	<u>over \$40,000.00</u>	<u>\$488.25 plus 3.150% of the</u>
42		<u>excess over \$35,000.00</u>
43	<u>Over \$40,000.00 but not</u>	
44	<u>over \$75,000.00</u>	<u>\$645.75 plus 4.973% of the</u>
45		<u>excess over \$40,000.00</u>
46	<u>Over \$75,000.00 but not</u>	
47	<u>over \$500,000.00</u>	<u>\$2,386.30 plus 5.734% of the</u>
48		<u>excess over \$75,000.00</u>

