

ASSEMBLY, No. 2014

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)

Assemblyman EDWARD H. THOMSON

District 30 (Monmouth and Ocean)

Assemblywoman AURA K. DUNN

District 25 (Morris and Somerset)

Co-Sponsored by:

Assemblyman Benson

SYNOPSIS

Provides gross income tax deduction for certain donated vehicles.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



(Sponsorship Updated As Of: 12/20/2021)

1 **AN ACT** providing a gross income tax deduction for certain donated
2 vehicles, supplementing Title 54A of the New Jersey Statutes.

3

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

6

7 1. a. A taxpayer shall be allowed to deduct from gross income
8 the value of a qualified vehicle that the taxpayer donates to a State
9 or local law enforcement agency for the taxable year in which the
10 donation occurs. The value of the qualified vehicle is the fair
11 market value of the vehicle on the day the donation occurs. A
12 taxpayer shall attach to the return an independent appraisal of the
13 fair market value of the qualified vehicle to claim a deduction in an
14 amount greater than \$500 pursuant to this section.

15 b. A State or local law enforcement agency that accepts the
16 donation of a qualified vehicle shall provide the taxpayer written
17 acknowledgment that includes the name of the taxpayer; the make,
18 model, and year of the vehicle; the vehicle or other identification
19 number; and, if the value of the vehicle is greater than \$500, the fair
20 market value of the vehicle based on an independent appraisal
21 provided by the taxpayer.

22 c. The deduction of the fair market value of the donation of a
23 qualified vehicle pursuant to this section shall not reduce the
24 taxable income of the taxpayer below zero.

25 d. Nothing in this section shall be construed to require a State
26 or local law enforcement agency to accept any vehicle offered as a
27 donation.

28 e. For the purposes of this section:

29 “Qualified vehicle” means any motor vehicle manufactured
30 primarily for use on public streets, roads, and highways; a boat; or
31 an airplane. A vehicle held primarily for sale to customers, such as
32 inventory of a vehicle dealer, is not a qualified vehicle.

33 “State or local law enforcement agency” means and includes, but
34 is not limited to, the police department of a State agency; the State
35 Department of Corrections; the State Police; the Office of the
36 Attorney General of New Jersey; a county or municipal police
37 department or force in this State; a county corrections department or
38 a county sheriff’s office in this State; and the office of a prosecutor
39 of a county or a municipality in this State.

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41 2. This act shall take effect immediately and apply to taxable
42 years beginning on or after the January 1 next following enactment.

STATEMENT

This bill allows a taxpayer to deduct from gross income the fair market value of a qualified vehicle that the taxpayer donates to a State or local law enforcement agency in the taxable year.

A State or local law enforcement agency that accepts the donation of a qualified vehicle shall provide the taxpayer written acknowledgment that includes the name of the taxpayer; the make, model, and year of the vehicle; the vehicle or other identification number; and, if the value of the vehicle is greater than \$500, the fair market value of the vehicle based on an independent appraisal provided by the taxpayer.

Under the bill, a State or local law enforcement agency is not required to accept any vehicle offered as a donation.