

SENATE, No. 2480

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MAY 11, 2020

Sponsored by:

Senator M. TERESA RUIZ

District 29 (Essex)

Senator NICHOLAS P. SCUTARI

District 22 (Middlesex, Somerset and Union)

Senator NELLIE POU

District 35 (Bergen and Passaic)

Co-Sponsored by:

Senators Sacco, Cunningham, Weinberg, Cryan, Stack, Cruz-Perez, Gill, Diegnan, Rice, Greenstein, Turner, Vitale, Codey, Beach, Singleton and Lagana

SYNOPSIS

Establishes one-time payment program in Department of Treasury for aid for certain eligible taxpayers; appropriates \$35 million.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 8/27/2020)

S2480 RUIZ, SCUTARI

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1 AN ACT establishing a program for one-time payments to certain
2 eligible taxpayers, supplementing Title 54A of the New Jersey
3 Statutes, and making an appropriation.

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

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8 1. The Legislature finds and declares that:

9 a. New Jersey is the state with the fourth highest share of
10 undocumented workers as a percent of labor force at 7.6 percent.

11 b. Undocumented immigrants pay various types of taxes, and
12 some use an Internal Revenue Service-issued Individual Taxpayer
13 Identification number (ITIN) to file and pay federal and state taxes.

14 c. New Jerseyans who are undocumented workers pay \$1.1
15 billion in federal taxes and \$600 million in state and local taxes.

16 d. Despite their contributions, ITIN holders and their families,
17 which include United States citizens, were intentionally excluded
18 from federal relief assistance provided in response to the 2020
19 COVID-19 pandemic and do not qualify for unemployment
20 insurance despite contributing to it.

21 e. About 52,000 New Jerseyans who are undocumented
22 immigrants are married to United States citizens and approximately
23 128,000 U.S. citizen children have at least one undocumented
24 parent.

25 f. Many undocumented immigrants pay into unemployment
26 insurance, social security, payroll taxes but are ineligible for any
27 public benefits, unemployment insurance, or federal assistance.

28 g. It is in the State's best interest to ensure that all State
29 taxpayers, regardless of immigration status receive some form of
30 relief to help the State's economy recover from the current
31 economic crisis and to flatten the curve of COVID-19 cases.

32 h. This bill would help up to 35,000 or 25 percent of ITIN
33 holders. Considering their tax contributions, the funding allocated
34 in this bill is only 5.8 percent of their tax contributions.

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36 2. a. The State Treasurer shall establish a program providing
37 one-time payments in the amounts specified in subsection b. of this
38 section to eligible taxpayers who reside in the State.

39 b. The payments shall be \$1,000 for an eligible taxpayer whose
40 most recent gross income tax return included at least one dependent
41 child; \$700 for an eligible taxpayer whose most recent gross income
42 tax return did not include a dependent child and was filed with a
43 status of married filing jointly; and \$500 for other eligible
44 taxpayers.

45 c. An application for the one-time payment shall be submitted
46 to the Division of Taxation in the Department of the Treasury in a
47 form and manner prescribed by the Director of the Division of
48 Taxation. P.L. , c. (C.) (pending before the Legislature as

1 this bill), shall be reserved for eligible taxpayers with at least one
2 dependent child to submit applications. After the 30 day period, all
3 eligible taxpayers shall be permitted to apply and applications shall
4 be processed in the order they are received by the Division of
5 Taxation. To be eligible to receive a payment under this program,
6 eligible taxpayers shall submit an application no later than
7 December 31, 2020. The Director of the Division of Taxation shall
8 verify that the applicant has filed gross income tax returns to the
9 State for either tax years 2018 or 2019 and that at least one of the
10 applicants has an individual tax identification number. The
11 Division of Taxation shall process an application not later than 14
12 days after submission and shall ensure that applicants who qualify
13 for the one-time payments receive the payments no later than 30
14 days after submission of application. If an applicant is denied
15 eligibility for the payment, the Division of Taxation shall provide
16 notification to the applicant explaining the reason for denial.

17 d. The State Treasurer shall publicize the one-time payment
18 program and provide links to the application form and procedure on
19 the Internet website of the Department of the Treasury. The
20 advertisement and application shall be available in English and each
21 of the three languages, other than English, most commonly spoken
22 in the State.

23 e. The information provided by an eligible taxpayer pursuant to
24 this section shall be confidential and shall not be used for any other
25 purpose other than determining eligibility for the one-time
26 payments.

27 f. Notwithstanding any provision of the “Administrative
28 Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.) to the
29 contrary, the Director of the Division of Taxation in the Department
30 of Treasury is authorized to adopt immediately upon filing with the
31 Office of Administrative Law such rules and regulations shall be
32 effective for a period not to exceed 360 days following the date of
33 filing and may thereafter be amended, adopted, or readopted by the
34 director in accordance with the requirements of P.L.1968, c.410
35 (C.52:14B-1 et seq.).

36 g. As used in this section:

37 “Eligible taxpayer” means gross income taxpayer who has filed a
38 gross income tax return for the State in tax years 2018 or 2019,
39 resides in the State when applying for and receiving the one-time
40 payment, and who has an individual taxpayer identification number
41 for tax purposes or has a spouse or partner with an individual
42 taxpayer identification number.

43

44 3. There is appropriated from the General Fund to the Division
45 of Taxation within the Department of Treasury the sum of
46 \$35,000,000 for the purpose of providing the one-time payments
47 authorized pursuant to P.L. c. (C.) (pending before the
48 Legislature as this bill).

1 4. This act shall take effect immediately.

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STATEMENT

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6 This bill provides one-time payments in Fiscal Year 2021 to
7 undocumented immigrants in New Jersey who filed gross income
8 tax returns for the State in tax year 2018 or tax year 2019.

9 The bill provides that the amount of the payment is limited to
10 \$1,000 for eligible taxpayers with dependent children, \$700 for
11 eligible taxpayers who are married without children, and \$500 for
12 other eligible taxpayers. There is \$35,000,000 appropriated from
13 the General Fund to provide these payments.

14 The bill allows the Division of Taxation to define the manner of
15 application and to verify that applicants paid taxes in tax year 2018
16 or tax year 2019 and has an individual tax identification number for
17 tax purposes or has a spouse or partner who has one. In the first 30
18 days following enactment, only eligible taxpayers with children will
19 be allowed to apply. After the first 30 days, all eligible taxpayers
20 can apply and the Division of Taxation will process the application
21 in the order it was received. The application will also be published
22 in English and in the three languages other than English that are the
23 most commonly spoken in the State. The final deadline to submit
24 an application to the Division of Taxation is December 31, 2020
25 and the Division of Taxation should process the application no later
26 than 14 days after the application is submitted. If the applicant is
27 deemed to be eligible, the applicant should receive the payment no
28 later than 30 days after the application is submitted. If the applicant
29 is deemed to be ineligible for the program, the Division should
30 notify the applicant of the denial and explain why the applicant was
31 denied. The State Treasurer will advertise about the program on its
32 website in English and in each of the three languages other than
33 English most commonly spoken in the State. The information
34 provided in the application cannot be used for any other purpose
35 other than to verify eligibility for the one-time payments.