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Co-Sponsored by:
Senators Sacco, Cunningham, Weinberg, Cryan, Stack, Cruz-Perez, Gill, Diegnan, Rice, Greenstein, Turner, Vitale, Codey and Beach

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

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

1. The Legislature finds and declares that:
   a. New Jersey is the state with the fourth highest share of undocumented workers as a percent of labor force at 7.6 percent.
   b. Undocumented immigrants pay various types of taxes, and some use an Internal Revenue Service-issued Individual Taxpayer Identification number (ITIN) to file and pay federal and state taxes.
   c. New Jerseyans who are undocumented workers pay $1.1 billion in federal taxes and $600 million in state and local taxes.
   d. Despite their contributions, ITIN holders and their families, which include United States citizens, were intentionally excluded from federal relief assistance provided in response to the 2020 COVID-19 pandemic and do not qualify for unemployment insurance despite contributing to it.
   e. About 52,000 New Jerseyans who are undocumented immigrants are married to United States citizens and approximately 128,000 U.S. citizen children have at least one undocumented parent.
   f. Many undocumented immigrants pay into unemployment insurance, social security, payroll taxes but are ineligible for any public benefits, unemployment insurance, or federal assistance.
   g. It is in the State’s best interest to ensure that all State taxpayers, regardless of immigration status receive some form of relief to help the State’s economy recover from the current economic crisis and to flatten the curve of COVID-19 cases.
   h. This bill would help up to 35,000 or 25 percent of ITIN holders. Considering their tax contributions, the funding allocated in this bill is only 5.8 percent of their tax contributions.

2. a. The State Treasurer shall establish a program providing one-time payments in the amounts specified in subsection b. of this section to eligible taxpayers who reside in the State.
   b. The payments shall be $1,000 for an eligible taxpayer whose most recent gross income tax return included at least one dependent child; $700 for an eligible taxpayer whose most recent gross income tax return did not include a dependent child and was filed with a status of married filing jointly; and $500 for other eligible taxpayers.
   c. An application for the one-time payment shall be submitted to the Division of Taxation in the Department of the Treasury in a form and manner prescribed by the Director of the Division of Taxation. P.L. c. (C. ) (pending before the Legislature as
this bill), shall be reserved for eligible taxpayers with at least one
dependent child to submit applications. After the 30 day period, all
eligible taxpayers shall be permitted to apply and applications shall
be processed in the order they are received by the Division of
Taxation. To be eligible to receive a payment under this program,
eligible taxpayers shall submit an application no later than
December 31, 2020. The Director of the Division of Taxation shall
verify that the applicant has filed gross income tax returns to the
State for either tax years 2018 or 2019 and that at least one of the
applicants has an individual tax identification number. The
Division of Taxation shall process an application not later than 14
days after submission and shall ensure that applicants who qualify
for the one-time payments receive the payments no later than 30
days after submission of application. If an applicant is denied
eligibility for the payment, the Division of Taxation shall provide
notification to the applicant explaining the reason for denial.

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

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

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

g. As used in this section:
“Eligible taxpayer” means gross income taxpayer who has filed a
gross income tax return for the State in tax years 2018 or 2019,
resides in the State when applying for and receiving the one-time
payment, and who has an individual taxpayer identification number
for tax purposes or has a spouse or partner with an individual
taxpayer identification number.

3. There is appropriated from the General Fund to the Division
of Taxation within the Department of Treasury the sum of
$35,000,000 for the purpose of providing the one-time payments
authorized pursuant to P.L. c. (C. ) (pending before the
Legislature as this bill).
4. This act shall take effect immediately.

STATEMENT

This bill provides one-time payments in Fiscal Year 2021 to undocumented immigrants in New Jersey who filed gross income tax returns for the State in tax year 2018 or tax year 2019. The bill provides that the amount of the payment is limited to $1,000 for eligible taxpayers with dependent children, $700 for eligible taxpayers who are married without children, and $500 for other eligible taxpayers. There is $35,000,000 appropriated from the General Fund to provide these payments.

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