

ASSEMBLY, No. 181

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 15, 1996

By Assemblyman KAVANAUGH

1 ANACT concerning taxpayers' signature requirements on gross income  
2 tax returns, amending N.J.S.54A:8-1.

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

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7 1. N.J.S.54A:8-1 is amended to read as follows:

8 54A:8-1. Payment of tax; returns; extension of time. With respect  
9 to each taxpayer, the tax imposed by this act shall be due and payable  
10 annually, hereafter, in the manner provided in this section:

11 a. Every taxpayer shall annually pay the tax imposed by this act  
12 with respect to all or any part of each of his fiscal or calendar  
13 accounting years beginning on and after July 1, 1976, to be computed  
14 as in this act provided, for such fiscal or calendar accounting year or  
15 part thereof, on a return which shall be filed, in the case of a taxpayer  
16 reporting on a calendar year basis, on or before April 15 following the  
17 close of such calendar year, or, in the case of a taxpayer reporting on  
18 a fiscal year basis, on or before the fifteenth day of the fourth month  
19 following the close of such fiscal year, and the full amount of the tax  
20 shall be due and payable on or before the date prescribed herein for  
21 the filing of the return.

22 In the case of a taxable year which ends on or after July 1, 1976,  
23 and prior to December 31, 1976, an income tax return for such  
24 taxable year shall be filed on or before April 15, 1977.

25 b. Each return shall carry a [certificate signed] signature by the  
26 taxpayer [to the effect] certifying that all statements contained therein  
27 are true, under the same penalties as for perjury committed. The  
28 director is authorized to promulgate regulations and procedures  
29 setting forth the manner in which a taxpayer may satisfy the signature  
30 requirement. Blank forms of return shall be furnished on application,  
31 but failure to secure the form shall not relieve any taxpayer of the  
32 obligation of making any return herein required. Subject to regulations  
33 under this act and in such form as may be indicated thereby, taxpayers  
34 whose net income taxable under this act is or may be subject to tax

**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.**

1 under a similar law of another jurisdiction may be permitted to file a  
2 simple, short form return attached to a copy of his return as filed or  
3 about to be filed by him in such other jurisdiction.

4 Subject to regulations under this act, reasonable extensions of time  
5 for good cause shown, may be granted for not more than 6 months  
6 unless exceptional circumstances justify a longer period, within which  
7 returns may be filed.

8 In addition, persons in active service with the Armed Forces of the  
9 United States, who may be prevented by distance or injury or  
10 hospitalization arising out of such service, may be allowed such  
11 extension of time for the filing of returns, without interest or penalty,  
12 as may be fixed by regulations under this act.

13 (cf: N.J.S.54A:8-1)

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15 2. This act shall take effect immediately and apply to returns filed  
16 on and after January 1, 1996.

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#### STATEMENT

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21 This bill changes current law concerning the written verification of  
22 gross income tax returns so that such returns may be filed by telephone  
23 using a touch-tone telephone keypad.

24 Current law requires a gross income tax filer to certify the accuracy  
25 of the gross income tax return by signing his or her name under  
26 penalty of perjury. This signature represents the taxpayer's oath that  
27 the information contained in the return is accurate and that no  
28 intentional attempt has been made to defraud the State.

29 Under this bill the Director of the Division of Taxation will have  
30 authority to promulgate regulations that will allow the use of voice  
31 signatures and other technologies, as they evolve, to satisfy the  
32 signature requirements of the gross income tax.

33 The division has embarked on a pilot program for which  
34 approximately 275,000 taxpayers in 12 counties have been selected to  
35 file their 1995 gross income tax returns by telephone between January  
36 16 and April 15, 1996. Using a touch-tone telephone and following  
37 the recorded instructions, a selected taxpayer may enter the necessary  
38 information and have the tax automatically calculated by computer.  
39 A taxpayer using this system may receive a refund more quickly than  
40 if a paper return had been filed. The division anticipates that  
41 approximately 1.3 million taxpayers may be afforded an opportunity  
42 next year to file their tax returns in this manner. Under this bill all  
43 such returns may be filed with "nonwritten" verified signatures.

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3 Permits the Director of the Division of Taxation in the Department of

4 the Treasury to establish the manner in which the taxpayer signature

5 requirement on gross income tax returns may be satisfied.