

FISCAL NOTE TO
ASSEMBLY, No. 738

STATE OF NEW JERSEY

DATED: SEPTEMBER 23, 1996

Assembly Bill No. 738 of 1996 establishes the "New Jersey Network Fund" and provides for a tax refund checkoff to appear on State gross income tax returns to permit taxpayers to make voluntary contributions to support the New Jersey Network which is operated by the New Jersey Public Broadcasting Authority. The bill also permits contributions by taxpayers who are not due refunds through the enclosure of a donation when the tax return is filed. Contributions may be made in amounts of \$5, \$10, or "other amount." The bill provides that all sums deposited in the "New Jersey Network Fund" shall be appropriated to the Department of Commerce and Economic Development and shall be used to support the New Jersey Network.

The Division of Taxation is unable to provide an estimate of the value of check-off funds that would be contributed to the New Jersey Network Fund as a result of this legislation. The division notes that this legislation will have no impact on the General Fund because all donations made as a result of this legislation are voluntary and will not reduce or increase an individual's gross income tax liability. The Division of Taxation may incur some administrative expenses; however, these expenses may be recouped under the bill.

The Office of Legislative Services (OLS) is also unable to reliably estimate the amount of taxpayer contributions to this new checkoff fund, and further notes that the other checkoff funds may receive fewer contributions due to an additional choice vying for the money. At present, the law provides for a checkoff for the Endangered Wildlife Conservation Fund, the Children's Trust Fund, the Vietnam Veterans' Memorial Fund, the Breast Cancer Research Fund and the Battleship New Jersey Memorial Fund. According to the Division, the checkoff provisions resulted in the following amounts of contributions in tax returns filed in 1995 for tax year 1994 (the most recent year for which complete data were available): \$382,362 to the Endangered Wildlife Conservation fund; \$339,448 to the Children's Trust Fund; and \$243,469 to the Vietnam Veterans' Memorial Fund. The Breast Cancer Research Fund and the Battleship New Jersey Memorial Fund checkoffs will appear for the first time on the 1996 gross income tax return.

This fiscal note has been prepared pursuant to P.L.1980, c.67.