

ASSEMBLY, No. 851

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblymen COTTRELL and MALONE

1 AN ACT supplementing the Corporation Business Tax Act (1945),
2 P.L.1945, c.162.

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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. A taxpayer shall be allowed a credit against the tax liability
8 imposed by section 5 of P.L.1945, c.162 (C.54:10A-5) in an amount
9 equal to 50% of the net costs expended by the taxpayer during the
10 taxpayer fiscal or calendar accounting year for the purchase by the
11 taxpayer of a height-adjustable patient examination table, which is
12 accessible to handicapped patients, or equipment to modify a
13 conventional patient examination table for that purpose, provided that:

14 a. The taxpayer is a health care provider licensed pursuant to Title
15 45 of the Revised Statutes;

16 b. The taxpayer is an "eligible small business" as defined in section
17 44 of the federal Internal Revenue Code (26 U.S.C.§44);

18 c. The table or equipment purchased is used or intended for use in
19 the health care provider's professional office; and

20 d. The purchase is made for the purpose of complying with
21 requirements established under Title III of the federal "Americans with
22 Disabilities Act of 1990," Pub.L.101-336 (42 U.S.C.§12101 et seq.).
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24 2. The credit allowed under this act for any taxpayer fiscal or
25 calendar accounting year shall not exceed the amount due that year
26 pursuant to section 5 of P.L.1945, c.162 (C.54:10A-5).
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28 3. This act shall take effect immediately but shall be applicable only
29 to the taxpayer fiscal or calendar accounting years beginning on and
30 after July 1, 1994.
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33 STATEMENT

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35 This bill provides a 50% tax credit against the New Jersey

1 Corporation Business Tax for physicians and other health care
2 providers who purchase height-adjustable patient examination tables,
3 or adaptable equipment for conventional patient examination tables,
4 which are accessible to handicapped patients, when the purchase is
5 made for the purpose of complying with requirements established
6 under Title III of the federal "Americans with Disabilities Act of
7 1990," (ADA) Pub.L.101-336.

8 To be eligible for the tax credit provided under this bill, a health
9 care provider must have had \$1 million or less in gross receipts for the
10 preceding tax year or 30 or fewer full-time employees during the
11 preceding tax year.

12 This tax credit parallels the federal disability access tax credit
13 available under section 44 of the federal Internal Revenue Code (26
14 U.S.C.§44), which was established pursuant to the "Omnibus Budget
15 Reconciliation of 1990," Pub.L.101-508. This tax credit benefits a
16 health care provider who purchases handicapped-accessible equipment
17 in order to comply with the requirements of the ADA and is available
18 to "eligible small businesses" in the amount of 50% of "eligible access
19 expenditures" for the taxable year that exceed \$250 but do not exceed
20 \$10,250. To be eligible, a business must have had \$1 million or less
21 in gross receipts for the preceding tax year or 30 or fewer full-time
22 employees during the preceding tax year, and the expenditure must be
23 for the purpose of enabling the business to comply with applicable
24 ADA requirements, which includes the acquisition or modification of
25 equipment or devices for handicapped persons.

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31 Permits a Corporation Business Tax credit for health care providers
32 who purchase handicapped-accessible patient examination tables to
comply with requirements of federal law.