

# ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

### ASSEMBLY, No. 1906

# STATE OF NEW JERSEY

DATED: JUNE 13, 1996

The Assembly Appropriations Committee reports favorably Assembly Bill No.1906.

Assembly Bill No.1906 changes the format of the contributions that taxpayers may make through their gross income tax returns to resolve a problem of limited space on the tax return.

Currently, New Jersey gross income tax taxpayers may choose to make contributions of their tax refunds, or to make contributions in excess of their refunds, to any of three State managed dedicated funds. By law, a taxpayer's choice to make a contribution must be in the form of a "check-off" on the gross income tax return. Two more check-offs for State managed dedicated funds have already been approved for addition to the return, and crowding on the return has reached the point that the addition of other equally worthwhile special dedicated funds pending before the Legislature may need to be delayed, simply because the check-offs will not fit on the tax return.

This bill amends the current check-off contribution acts to remove requirements about the form of the contribution choices, but does not affect the rights of taxpayers to make contributions to the funds. The bill replaces the check-offs on the return form with numerical designations on the return to indicate the wishes of a taxpayer. The numerical designation system is currently used by New Jersey public employers to record employee choices to make charitable contributions by payroll deduction, and a similar system could be used on the tax return and its instruction book.

In 1997, taxpayers will have the right to designate contributions on their gross income tax returns to the Endangered and Nongame Species of Wildlife Conservation Fund, the Children's Trust Fund, the Vietnam Veterans' Memorial Fund, the New Jersey Breast Cancer Research Fund and the Battleship New Jersey Memorial Fund.

#### FISCAL IMPACT:

This bill was not certified as requiring a fiscal note; the bill has no direct affect on State revenue or expenditures. However, it is expected that the bill will simplify tax returns to permit scheduled and future expansion of contributions programs.