

SENATE, No. 361

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Senators BUBBA and MATHEUSSEN

1 AN ACT providing a refundable gross income tax credit for certain
2 Medicare Part B premium increases, supplementing Title 54A of the
3 New Jersey Statutes.

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

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8 1. A taxpayer shall be allowed a credit in the amount equal to any
9 amount of premiums paid for the taxable year for the taxpayer's
10 supplementary medical insurance benefits for the aged and disabled,
11 Medicare Part B, pursuant to 42 U.S.C. §395j that is greater than the
12 premiums charged pursuant to federal law for calendar year 1995.

13 Any amount of credit allowed under this section in excess of the
14 amount required, when taken in combination with any other credits
15 allowed under this act, to reduce the taxpayer's liability to zero shall
16 be considered an overpayment of tax and shall be refunded to the
17 taxpayer in the manner provided by subsection (a) of N.J.S.54A:9-7.

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19 2. This act shall take effect immediately and apply to taxable years
20 beginning on or after January 1, 1996

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STATEMENT

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25 This bill allows taxpayers a refundable tax credit in an amount equal
26 to any amount of Medicare Part B premium payment they may be
27 required to make in 1996 or thereafter that is greater than the
28 Medicare Part B premium payment required by federal law in calendar
29 year 1995. This credit will protect senior citizen and disabled
30 medicare recipients from any federal increases in the Medicare Part B
31 premiums that might decrease the amount of social security or other
32 support benefits they would otherwise receive.

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3 Provides refundable gross income tax credit for certain Medicare Part

4 B premium increases.