

SENATE, No. 2113

STATE OF NEW JERSEY

INTRODUCED MAY 22, 1997

By Senator KENNY

1 AN ACT concerning gross income tax treatment of certain members  
2 of the Armed Forces, amending N.J.S.54A:9-16.

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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:9-16 is amended to read as follows:

8 54A:9-16. Armed forces relief provisions. (a) Time to be  
9 disregarded. In the case of an individual serving in the Armed Forces  
10 of the United States, or serving in support of such armed forces, in an  
11 area designated by the President of the United States by executive  
12 order as a "combat zone" or by federal statute as a "qualified  
13 hazardous duty area." at any time during the period designated by the  
14 President by executive order or by federal statute as the period of  
15 combatant activities in such zone or area, or hospitalized outside the  
16 State as a result of injury received while serving in such an area during  
17 such time, the period of service in such area, plus the period of  
18 continuous hospitalization outside the State attributable to such injury,  
19 and the next 180 days thereafter, shall be disregarded in determining,  
20 under this act, in respect of the income tax liability (including any  
21 interest, penalty, or addition to the tax) of such individual.

22 (1) Whether any of the following acts was performed within the  
23 time prescribed therefor:

24 (A) Filing any return of income tax (except withholding tax);

25 (B) Payment of any income tax (except withholding tax) or any  
26 installment thereof or of any other liability to the State, in respect  
27 thereof;

28 (C) Filing a petition with the director for credit or refund or for  
29 redetermination of a deficiency, or application for review of a decision  
30 rendered by the director;

31 (D) Allowance of a credit or refund of income tax;

32 (E) Filing a claim for credit or refund of income tax;

33 (F) Assessment of income tax;

34 (G) Giving or making any notice or demand for the payment of any

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.**

**Matter underlined thus is new matter.**

1 income tax, or with respect to any liability to the State in respect of  
2 income tax;

3 (H) Collection, by the director, by levy or otherwise of the amount  
4 of any liability in respect of income tax;

5 (I) Bringing suit by the State, or any officer, on its behalf, in  
6 respect of any liability in respect of income tax; and

7 (J) Any other act required or permitted under this act or specified  
8 in regulations prescribed under this section by the director.

9 (2) The amount of any credit or refund (including interest).

10 (b) Action taken before ascertainment of right to benefits. The  
11 assessment or collection of the tax imposed by this act or of any  
12 liability to the State in respect of such tax, or any action or proceeding  
13 by or on behalf of the State in connection therewith, may be made,  
14 taken, begun, or prosecuted in accordance with law, without regard to  
15 the provisions of subsection (a), unless prior to such assessment,  
16 collection, action, or proceeding it is ascertained that the person  
17 concerned is entitled to the benefits of subsection (a).

18 (c) Members of armed forces dying in action. In the case of any  
19 person who dies during an induction period while in active service as  
20 a member of the Armed Forces of the United States, if such death  
21 occurred while serving in a combat zone or a qualified hazardous duty  
22 area during a period of combatant activities in such zone or area, as  
23 described in subsection (a), or as a result of wounds, disease or injury  
24 incurred while so serving, the tax imposed by this act shall not apply  
25 with respect to the taxable year in which falls the date of death, or  
26 with respect to any prior taxable year ending on or after the first day  
27 served in a combat zone, and no return shall be required in behalf of  
28 such person or such person's estate for such year, and the tax of any  
29 such taxable year which is unpaid at the date of death, including  
30 interest, additions to tax and penalties, if any, shall not be assessed  
31 and, if assessed, the assessment shall be abated and, if collected, shall  
32 be refunded to the legal representative of the estate if one has been  
33 appointed and has qualified, or, if no legal representative has been  
34 appointed or has qualified, to the surviving spouse.

35 (cf: P.L.1985, c.515, s.16)

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37 2. This act effect immediately and apply to taxable years beginning  
38 on or after January 1, 1996.

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## STATEMENT

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43 This bill provides for a gross income tax filing extension for New  
44 Jersey residents currently serving in Bosnia and Herzegovina, Croatia  
45 and Macedonia. Federal statutes have defined this area as a "qualified  
46 hazardous duty area ." Armed forces personnel in the area are afforded

1 certain tax benefits under federal law. However, the New Jersey gross  
2 income tax automatic filing extension for military personnel on  
3 missions only addresses service in "combat zones" as designated by the  
4 President in an executive order. This bill will also address the new  
5 designation of service under which Armed Forces personnel will be  
6 allowed extensions.

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11 Provides gross income tax filing extension for certain Armed Forces  
12 personnel.