

# SENATE, No. 3515

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## STATE OF NEW JERSEY 219th LEGISLATURE

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INTRODUCED MARCH 9, 2021

**Sponsored by:**

**Senator RICHARD J. CODEY**

**District 27 (Essex and Morris)**

**Co-Sponsored by:**

**Senator Cruz-Perez**

**SYNOPSIS**

Broadens eligibility for gross income tax credit to family caregivers of certain armed service members with physical disabilities.

**CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 6/21/2021)

1 AN ACT concerning eligibility for the gross income tax credit to  
2 family caregivers of certain armed service members with  
3 physical disabilities, and amending P.L.2017, c.67.  
4

5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:  
7

8 1. Section 2 of P.L.2017, c.67 (C.54A:4-15) is amended to read  
9 as follows:

10 2. a. A qualified family caregiver shall be allowed a qualified  
11 veteran care credit against the tax otherwise due for the taxable year  
12 under the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et  
13 seq., in an amount equal to 100 percent of the federal veteran  
14 disability compensation of a qualified armed service member for  
15 which the qualified family caregiver renders care or \$675,  
16 whichever is less.

17 b. If two or more qualified family caregivers qualify for the  
18 qualified veteran care credit for the same qualified armed service  
19 member, the amount of the credit allowed shall be allocated in  
20 proportion to each qualified family caregiver's share of total care  
21 expenses provided for the taxable year.

22 c. If the qualified veteran care credit allowed pursuant to this  
23 section, together with any other payments, credits, deductions, and  
24 adjustments allowed by law, reduces a qualified family caregiver's  
25 tax liability otherwise due for the taxable year under N.J.S.54A:1-1  
26 et seq. to zero, the amount of the credit remaining shall be paid to  
27 the taxpayer as a refund of an overpayment of tax in accordance  
28 with N.J.S.54A:9-7; provided however, that subsection (f) of that  
29 section, concerning the allowance of interest, shall not apply.

30 d. A qualified family caregiver who is not subject to tax in  
31 accordance with N.J.S.54A:2-4 for a taxable year may apply for a  
32 qualified veteran care credit using an application to be made  
33 available by the director. The due date for a qualified veteran care  
34 credit application shall coincide with the due date for annual gross  
35 income tax returns.

36 e. As used in this section:

37 "Qualified armed service member" means an individual who has  
38 a disability arising out of service in the active military or naval  
39 service of the United States in any war or conflict **【on or after**  
40 **September 11, 2001】**, has been honorably discharged or released  
41 under conditions other than dishonorable, meets the requirements  
42 for total disability ratings for compensation based upon  
43 unemployability of the individual as determined by the United  
44 States Department of Veterans Affairs, and has resided with the

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

**Matter underlined thus is new matter.**

## S3515 CODEY

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1 qualified family caregiver in this State for not less than six months  
2 of the taxable year.

3 "Qualified family caregiver" means an individual resident of this  
4 State with gross income for the taxable year not in excess of  
5 \$100,000 if filing jointly, as a head of household, or as a surviving  
6 spouse, or not in excess of \$50,000 if filing separately or unmarried,  
7 who provides care and support to a qualifying armed service  
8 member to whom the caregiver is a relative.

9 "Relative" means an individual related by consanguinity within  
10 the third degree by law or blood.

11 (cf: P.L.2017, c.67, s.2)

12

13 2. This act shall take effect immediately and apply to taxable  
14 years beginning on or after January 1 next following the date of  
15 enactment.

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## 18 STATEMENT

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20 This bill amends the "Wounded Warrior Caregivers Relief Act,"  
21 P.L.2017, c.67 (C.54A:4-14 et seq.), to expand eligibility for the tax  
22 credit to include qualified family caregivers of former service  
23 members with service-connected disabilities arising out of service  
24 in the active military or naval service of the United States in any  
25 war or military conflict.

26 Current law limits eligibility for the tax credit to qualified family  
27 caregivers of former service members with service-connected  
28 disabilities arising out of service in the active military or naval  
29 service of the United States in any war or military conflict on or  
30 after September 11, 2001.

31 Current law provides qualified family caregivers of qualified  
32 armed service members with a refundable tax credit equal to 100  
33 percent of the service member's federal disability compensation or  
34 \$675, whichever is less. The credit is refundable and may be  
35 claimed for each taxable year a family caregiver qualifies. The  
36 credit's \$675 limit applies per service member.

37 Under current law, several prerequisites are required to be met in  
38 order for a family caregiver to qualify for the tax credit. For  
39 example, a qualified family caregiver is required to be related to the  
40 service member within the third degree. The service member is  
41 required to have resided with the family caregiver, in this State, for  
42 at least six months of the taxable year for which the credit is  
43 claimed.