

## CHAPTER 67

**AN ACT** establishing the Wounded Warrior Caregivers Relief Act to provide income tax relief to family caregivers of certain armed service members by supplementing Title 54A of the New Jersey Statutes.

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

C.54A:4-14 Short title.

1. This act shall be known and may be cited as the “Wounded Warrior Caregivers Relief Act.”

C.54A:4-15 Veteran care credit for qualified family caregivers; definitions.

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

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

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

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

e. As used in this section:

“Qualified armed service member” means an individual who has a disability arising out of service in the active military or naval service of the United States in any war or conflict on or after September 11, 2001, has been honorably discharged or released under conditions other than dishonorable, meets the requirements for total disability ratings for compensation based upon unemployability of the individual as determined by the United States Department of Veterans Affairs, and has resided with the qualified family caregiver in this State for not less than six months of the taxable year.

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

“Relative” means an individual related by consanguinity within the third degree by law or blood.

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

Approved May 11, 2017.