

## CHAPTER 146

AN ACT increasing the gross income tax deduction available to veterans, amending N.J.S.54A:3-1.

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

1. N.J.S.54A:3-1 is amended to read as follows:

Personal exemptions and deductions.

54A:3-1. Personal exemptions and deductions. Each taxpayer shall be allowed personal exemptions and deductions against his gross income as follows:

(a) Taxpayer. Each taxpayer shall be allowed a personal exemption of \$1,000.00 which may be taken as a deduction from his New Jersey gross income.

(b) Additional exemptions. In addition to the personal exemptions allowed in (a), the following additional personal exemptions shall be allowed as a deduction from gross income:

1. For the taxpayer's spouse, or domestic partner as defined in section 3 of P.L.2003, c.246 (C.26:8A-3), who does not file separately - \$1,000.00.

2. For each dependent who qualifies as a dependent of the taxpayer during the taxable year for federal income tax purposes - \$1,500.00.

3. Taxpayer 65 years of age or over at the close of the taxable year - \$1,000.00.

4. Taxpayer's spouse 65 years of age or over at the close of the taxable year - \$1,000.00.

5. Blind or disabled taxpayer - \$1,000.00.

6. Blind or disabled spouse - \$1,000.00.

7. Taxpayer who is a veteran honorably discharged or released under honorable circumstances from active duty in the Armed Forces of the United States, a reserve component thereof, or the National Guard of New Jersey in a federal active duty status, as those terms are used in N.J.S.38A:1-1 - \$6,000.

(c) Special Rule. The personal exemptions allowed under this section shall be limited to that percentage which the total number of months within a taxpayer's taxable year under this act bears to 12. For this purpose 15 days or more shall constitute a month.

(d) (Deleted by amendment, P.L.1993, c.178).

(e) Nonresidents. For taxable years to which a certification pursuant to section 3 of P.L.1993, c.320 (C.54A:2-1.2) applies, a nonresident taxpayer shall be allowed the same deduction for personal exemptions as a resident taxpayer. However, if (1) the nonresident taxpayer's gross income which is subject to tax under this act is exceeded by (2) the gross income which the nonresident taxpayer would be required to report under this act if the taxpayer were a resident by more than \$100.00, the taxpayer's deduction for personal exemptions shall be limited by the percentage which (1) is to (2).

2. This act shall take effect immediately and apply to taxable years beginning on or after January 1, 2019.

Approved June 30, 2019.