

ASSEMBLY, No. 524

STATE OF NEW JERSEY 220th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2022 SESSION

Sponsored by:

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SYNOPSIS

Provides gross income tax credit to certain taxpayers who pay for certain in-home services through health care service firm.

CURRENT VERSION OF TEXT

As reported by the Assembly Aging and Senior Services Committee with technical review.



1 AN ACT providing a gross income tax credit to certain taxpayers
2 who pay for certain services to be provided at their residence
3 through a health care service firm, supplementing Title 54A of
4 the New Jersey Statutes.

5

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

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9 1. a. A taxpayer with gross income of less than \$150,000 for
10 the taxable year shall be allowed a credit against the tax otherwise
11 due under the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1
12 et seq., in an amount equal to 20 percent of the expenses incurred
13 by the taxpayer during the taxable year for having an individual
14 employed, placed, or arranged to be placed by a health care service
15 firm to provide in-home companion services, health care services,
16 or personal care services to the taxpayer at the taxpayer's residence.
17 The credit shall only be available to a taxpayer who is permanently
18 and totally disabled or is age 65 or older.

19 b. Expenses incurred during a taxable year by a taxpayer shall
20 not include any amounts reimbursed or paid by an insurance
21 company.

22 c. The amount of the credit allowed pursuant to this section
23 shall be applied against the tax otherwise due under the "New
24 Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., after all other
25 credits and payments. If the credit exceeds the amount of tax
26 liability otherwise due, that amount of excess shall be an
27 overpayment for the purposes of N.J.S.54A:9-7, provided, however,
28 that subsection (f) of N.J.S.54A:9-7 shall not apply.

29 d. As used in this section:

30 "Companion services" means non-medical, basic supervision and
31 socialization services which do not include assistance with activities
32 of daily living, and which are provided in the individual's home.
33 Companion services may include the performance of household
34 chores.

35 "Health care service firm" means an entity registered as a health
36 care service firm pursuant to section 1 of P.L.2002, c.126 (C.34:8-
37 45.1).

38 "Health care services" means any services rendered for the
39 purpose of maintaining or restoring an individual's physical or
40 mental health or any health-related services, and for which a license
41 or certification is required as a pre-condition to the rendering of
42 such services.

43 "Permanently and totally disabled" means total and permanent
44 inability to engage in any substantial gainful activity by reason of
45 any medically determinable physical or mental impairment,
46 including blindness.

47 "Personal care services" means services performed by licensed
48 or certified personnel for the purpose of assisting an individual with

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1 activities of daily living that may involve physical contact.
2 Services include, but are not limited to, bathing, toileting,
3 transferring, dressing, grooming, and assistance with ambulation,
4 exercise, or other aspects of personal hygiene.

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