

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR

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ASSEMBLY, No. 757

STATE OF NEW JERSEY

DATED: JUNE 22, 2023

The Assembly Appropriations Committee reports favorably an Assembly Committee Substitute for Assembly Bill No. 757 ACS.

As reported by the committee, the Assembly Committee Substitute for Assembly Bill No. 757 permits eligible volunteer firefighters and first aid or rescue squad members to take an additional \$2,000 exemption as a deduction from gross income under the New Jersey gross income tax.

The committee substitute specifically sets forth eligibility requirements for persons who want to claim the additional personal exemption. Fire company members would be eligible if they serve as a volunteer for the entire tax year, respond to at least 60 percent of regular alarms and 60 percent of drills, and have attained the rank of Firefighter I Certified. First aid and rescue squad members would be eligible if they serve as a volunteer for the entire tax year, respond to at least 10 percent of regular alarms and 60 percent of drills, and have passed an approved training program or qualified as an emergency medical technician. Volunteers that have duty hours would be eligible if they serve at least 400 duty hours during any calendar year, with no more than 50 percent as drills.

The committee substitute requires the Director of Taxation, in consultation with the Commissioner of Community Affairs and the Commissioner of Health, to promulgate rules or regulations to effect certain provisions of the bill. The official in charge of each fire department or force or first aid or rescue squad is required to submit annually to the appropriate State agency a list of members who have met the committee substitute requirements.

FISCAL IMPACT:

The Office of Legislative Services (OLS) determines that this bill will reduce revenues earmarked for the Property Tax Relief Fund by an indeterminate amount annually beginning in FY 2025. The OLS does not have access to pertinent data regarding the size of the population that would be affected, nor the income and tax profiles of the volunteer firefighters, rescue, and first aid squad members that the

bill will affect, to quantify the annual State revenue loss. The OLS notes that there also is an indeterminate percentage of volunteer firefighters and first aid or rescue squad members that will not satisfy the duty requirements under the bill and so will not have any impact on State revenues, but this cannot credibly be projected.