

Apply for Newly Doubled \$6,000 State Income Tax Exemption

With the Veterans Income Tax Exemption doubling to \$6,000 for 2019, State Treasurer Elizabeth Maher Muoio is urging New Jersey veterans to check their eligibility and pre-certify to make claiming the exemption easier during tax filing season.

"Under the law signed by Governor Murphy earlier this year, the veterans income tax exemption has now doubled to \$6,000," said Muoio. "We can never fully repay our service men and women for their sacrifices, but it is our hope that this increased benefit will make a sizable difference for veterans acclimating to civilian life, raising a family or living on a retirement budget. Our personnel in the Division of Taxation stand ready to help, and urge veterans to pre-certify to expedite the process when it comes time to file."

Muoio noted that since the exemption went into effect for the 2017 tax year, Treasury's Division of Taxation has conducted extensive outreach in concert with the New Jersey Department of Military and Veterans Affairs to ensure veterans are aware of this benefit. That initiative included outreach to civic organizations and veterans groups, public presentations by Taxation staff, an informative online video, and numerous other initiatives. As a result, the Division of Taxation has pre-certified roughly one-third of the state's approximately 400,000 eligible veterans, to date.

Applicants need only apply the first year they claim the exemption. A veteran's spouse or civil union partner, who is also a veteran, can take the exemption if they are filing a joint return. However, a veteran cannot claim this exemption for a domestic partner or dependents.

Veterans who file paper New Jersey Income Tax returns (NJ-1040) or Non-Resident Income Tax returns (NJ-1040NR) must:

Enclose a copy of Form DD-214, Certificate of Release or Discharge from Active Duty, with their tax returns the first time they claim the exemption(s). This form does not need to be submitted each year. The United States National Archives and Records Administration can assist with obtaining DD-214.

Check the oval on a resident tax return that indicates the veteran is taking the exemption, or click

the box on the non-resident return that indicates a veteran is taking an exemption.

Veterans who normally electronically file their New Jersey Income Tax return (NJ-1040) or New Jersey Non-Resident Income Tax return (NJ-1040NR) should pre-certify for this exemption by sending necessary documents before filing taxes. This will allow returns to be processed without delay or time lost because of requests for additional proof of exemption status.

There are three ways to send materials to the Division of Taxation:

By mail:

New Jersey Division of Taxation
Veteran Exemption
PO Box 440
Trenton, NJ 08646-0440

By secure upload:

<https://www.njportal.com/DOR/TCM/>
Use POB 440 Code: VET

By fax:

609-633-8427

Treasurer Muoio also encouraged New Jersey veterans, their spouses and caregivers to take advantage of other tax benefits that the state offers:

The Disabled Veteran Property Tax Exemption allows honorably discharged veterans who are 100 percent permanently disabled as a result of active wartime service to qualify for an annual property tax exemption.

A \$250 Veterans Property Tax Deduction is offered to certain honorably discharged veterans and their surviving spouse/civil union/domestic partners, including military veterans who live in continuing care retirement communities.

The Wounded Warrior Caregivers Relief Act provides a tax credit to qualified family caregivers who take care of a military service member who has a disability arising out of service in any war or conflict on or after September 11, 2001. The credit is equal to 100 percent of the federal veteran disability compensation or \$675, whichever is less.

Lastly, a Gold Star Family Counseling Credit is available to mental health care professionals who provided counseling through the Gold Star Family Counseling program. The amount of the income tax credit may be equal to the amount documented annually by the Department of Military and Veterans Affairs for the Gold Star Family Counseling Program.