



COMBAT PAY TAX EXEMPTION

Beginning in tax year 2021, New Jersey made combat pay completely tax exempt. If your combat pay is exempt from federal income tax, it should not be reported on a State Income Tax return. U.S. military pension and survivor's benefit payments are also not taxable.

WOUNDED WARRIOR CAREGIVER CREDIT

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 sustained from their service on or after September 11th, 2001. The annual credit is equal to 100% of the federal veteran disability compensation, or \$675, whichever is less.

GOLD STAR COUNSELING CREDIT

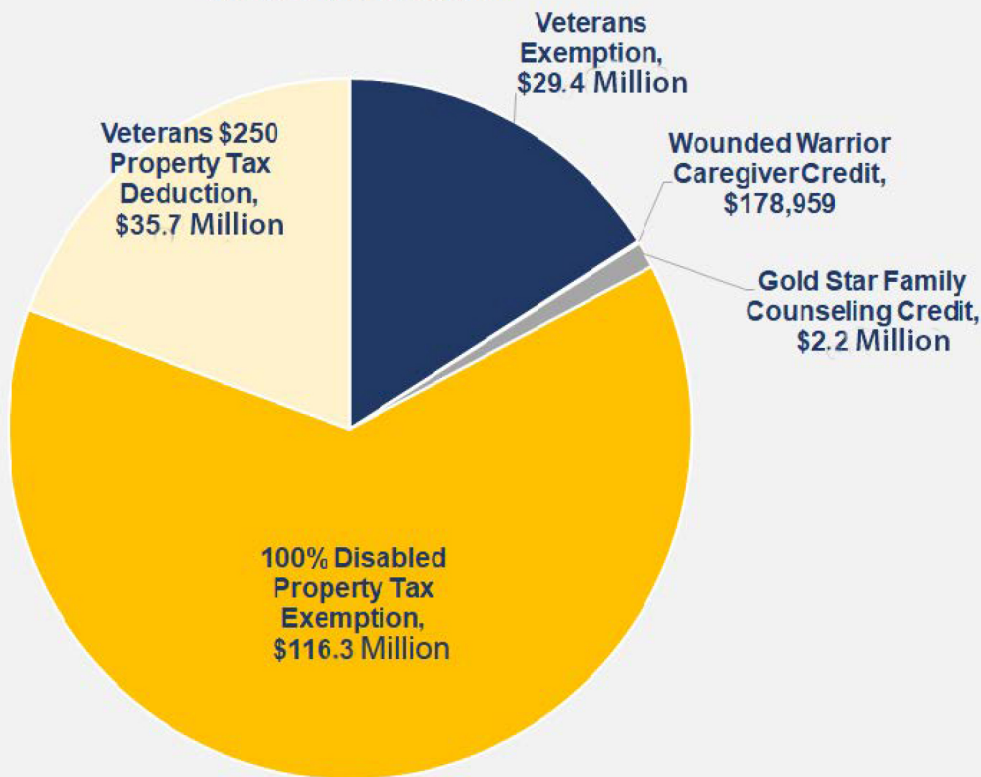
Mental health care professionals who provided counseling through the Gold Star Family Counseling program can take a credit to reduce tax due, equal to the amount documented annually by the Department of Military and Veterans' Affairs for the Gold Star Family Counseling Program.²

With Gratitude

The Department of the Treasury and the entire State of New Jersey sincerely value the sacrifices of our military veterans and active service members. While we can never fully repay our gratitude, we are working diligently to make life easier for the military community, including easing financial burdens through tax benefits and other programs, and providing services to help ease the transition to civilian life.

Veterans' Tax Benefits (2021)

\$183.9 million total*



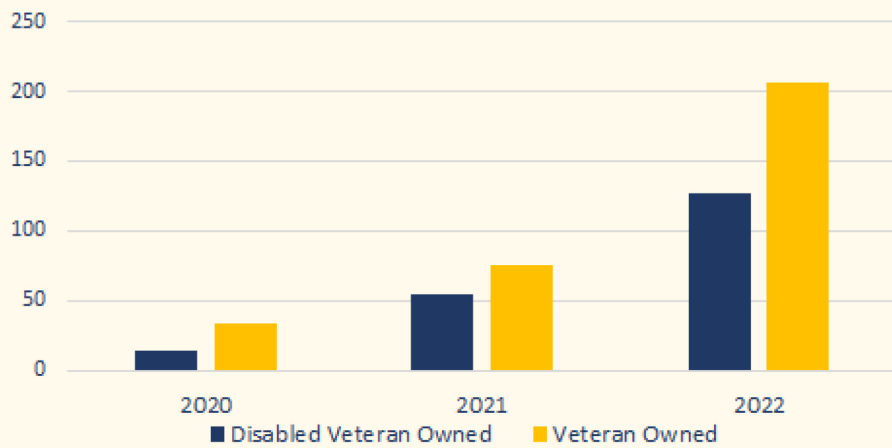
In tax year 2021, New Jersey provided **\$183,974,824** in tax benefits to veterans through five different programs, including the \$6,000 income tax exemption for veterans, which was claimed by 152,029 veterans¹. More than 140,000 veterans claimed the \$250 property tax exemption in tax year 2021, and 13,976 veterans were credited with a 100% disabled property tax exemption.³

*All programs have eligibility requirements. Detailed explanations are available on the Division of Taxation's website, <https://www.nj.gov/treasury/taxation/military/taxinformation.shtml>

VETERAN OWNED BUSINESSES

In spring of 2021, State Treasurer Muoio waived the cost of certification for small, minority, women, veteran, and disabled veteran-owned businesses, making it easier for Veteran and Disabled Veteran business owners to market themselves as certified businesses to government and private companies seeking contracts for goods, services and construction. Through a concerted effort by the Murphy Administration to increase outreach, the number of veteran-owned businesses registered to do business with the State has increased five-fold between 2020 and 2022, and the number of disabled veteran-owned business registrations has increased by more than 800%.

New Business Certifications and Renewals



In May 2022, the Department of Treasury participated in the New Jersey State Veterans Chamber of Commerce's Disabled Veteran Owned Business and Veteran Owned Business Summit, checking certifications & providing information on contracting opportunities.

STATE CONTRACTING ASSISTANCE FOR DVOBS

In order to increase the effectiveness of the Disabled Veteran-Owned Business (DVOB) Set-Aside statute, which requires that State agencies give due consideration to certified DVOBs when awarding contracts, the Department of Treasury is launching a new one-on-one assistance program to help DVOBs navigate through the state registration, regulation and purchasing landscape. Email DVOBassist@treas.nj.gov for more information.

OTHER STATE BENEFITS AND RESOURCES

- The **NJ Department of Military and Veterans Affairs** [assists veterans with crucial issues](#) pertaining to employment, education, burial, counseling, housing, social and medical services, in addition to providing trained and ready forces prepared for rapid response to a wide range of civil & military operations.
- The **NJ Department of Education** offers expedited [educator-certification application review](#) for veterans and active-duty military spouses. The Department also offers a certification fee waiver to those veterans & active-duty military spouses for initial applications.
- **NJ TRANSIT** [offers discounts for military personnel, their families, and veterans](#), as well as career opportunities for veterans through the [Edge4Vets](#) program.
- The **NJ Housing and Mortgage Finance Agency** programs for first-time homebuyers and down payment assistance can be utilized with the [VA's home loan benefit](#).
- The **NJ Civil Service Commission** has a [Veteran's Preference](#) in employee selection that places qualified veterans at the top of an open competitive employment list.
- The **NJ Department of Corrections'** [Office of Transitional Services](#) provides pre-release interviews to determine eligibility for Veterans Benefits and Social Security Disability Insurance/Supplemental Security Income.
- The **NJ Department of Agriculture's** [Homegrown by Heroes](#) program is a marketing program that provides farmer veterans with a distinctive label to promote their agricultural products.

CONCLUSION:

- The Department of the Treasury and the Murphy Administration continue to look for new ways to support the veteran community to show gratitude for the service to our State and nation.
- For more information on any of the above programs and resources, visit <https://www.nj.gov/treasury/military-resources.shtml>

SOURCES: ¹ Veterans Exemption: Count is number of exemptions reported on TY 2021 NJ1040s. Dollar benefit is the FY 2022 estimate of the tax benefit of those returns cited in the FY 2023 Tax Expenditure Report.

² Wounded Warrior Caregiver Credit and Gold Star Family Counseling Credit: TY 2021 NJ1040 data.

³ 100% Disabled Property Tax Exemption and Veterans \$250 Property Tax Deduction: 2021 Property Tax Tables, Division of Local Government Services, NJ Dept. of Community Affairs (https://www.nj.gov/dca/divisions/dlgs/resources/property_docs/21_data/21taxes.xls)

