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NEWS RELEASE

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Gov. Whitman Signs Bill to Double Tax Benefit for Seniors and Disabled

Gov. Christie Whitman today signed legislation to give significant tax relief to New Jersey senior citizens and individuals with disabilities, allowing them to double the amount of income excluded from the New Jersey Gross Income tax.

"I am pleased to be able to sign this law that will enable New Jersey's senior citizens and people with disabilities to keep more money in their pockets. Now they will have more money at the end of the year to spend or to save," said Gov. Whitman.

Senior citizens aged 62 and older, and persons with disabilities who are eligible for Social Security benefits, are permitted to exclude from their New Jersey gross income a portion of payments from annuities, endowments and life insurance plan benefits as well as income from pensions, disability benefits, retirement plans and Individual Retirement Account withdrawals. The new law doubles the amount of the exclusion, reducing the taxable income and therefore reducing the taxes paid.

"These are savings our senior citizens worked hard to earn, and we want to be able to make sure they reap the benefits," the Governor said.

They also may exclude income from interest and dividend earnings, providing they earn less than \$3,000 from income sources such as wages, salaries, and business profits.

The bill, A-126/S-68, sponsored by Assembly Members James Holzapfel (R-Monmouth/Ocean) and David Wolfe (R-Monmouth/Ocean) and Senators Andrew Ciesla (R-Monmouth/Ocean) and Leonard Connors (R-Atlantic/Burlington/Ocean), increases the excludable amount from \$10,000 to \$20,000 for a married couple filing jointly; from \$5,000 to \$10,000 for a married person filing separately; and from \$7,500 to \$15,000 for a single individual. The increased amounts will be phased in over four taxable years, beginning on or after January 1, 2000.

The Governor signed the bill during a visit to Greenbriar Woodlands, an adult community in Toms River. She then visited with senior citizens at Leisure Village West in Manchester, and then stopped at Leisure Village Original in Toms River. At each stop, the Governor visited with residents of the adult communities and answered questions posed by them.