

May 4, 2020

ASSEMBLY BILL NO. 3841

To the General Assembly:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I herewith return Assembly Bill No. 3841 without my approval.

This bill would automatically extend the April 15, 2020 annual and quarterly return filing deadlines and payment due dates for the Gross Income Tax and Corporation Business Tax to coincide with the extended due date established by the federal Internal Revenue Service ("IRS"), provided that the extended date is no later than June 30, 2020. Taxpayers filing by the extended due date would not be subject to penalties or interest payments.

Assembly Bill No. 3841 was passed by the Legislature on March 19, 2020. Although an extension of the federal tax deadline was widely anticipated at that time, it had not yet been fully announced. Shortly thereafter, on March 20, 2020, IRS Notice 2020-18 was issued through which the United States Treasury Department and the IRS announced that the federal income tax filing and payment due date had been extended from April 15, 2020 to July 15, 2020 and that taxpayers also may defer quarterly federal income tax payments due on April 15, 2020 to July 15, 2020, without penalties and interest, regardless of the amount owed.

I applaud the sponsors of Assembly Bill No. 3841 for their proactive efforts to enable New Jersey taxpayers to take full advantage of a federal tax extension. However, following the federal announcement, it became necessary to modify the language of the bill in order to match the State and federal filing deadlines.

To that end, my Administration worked closely with my partners in the Legislature on replacement legislation aligning the State's tax filing and payment due dates with the filing payment due dates

established by the IRS. P.L.2020, c.19 was signed into law on April 14, 2020. In addition to removing the June 30, 2020 limitation, P.L.2020, c.19 includes language aligning technical aspects of the State filing extension with the federal filing extension in order to reduce potential confusion among taxpayers and preparers.

Accordingly, I herewith return Assembly Bill No. 3841 without my approval.

Respectfully,

[seal]

/s/ Philip D. Murphy
Governor

Attest:

/s/ Matthew J. Platkin
Chief Counsel to the Governor