

State Tax Observations

2018 New Jersey Tax Amnesty Program Is Active Through January 15th

By Jill Cantor, JD, CPA, Senior Manager

The New Jersey Division of Taxation made its highly anticipated announcement on November 15, 2018 that the 2018 New Jersey Tax Amnesty Program, signed into law on July 1, 2018 by Governor Murphy, is active and will run through January 15, 2019.

The 2018 New Jersey Tax Amnesty Program is meant to provide an opportunity for eligible taxpayers to file and pay their past due taxes with **reduced interest (50% relieved)** and **no penalties**.

Proceed Now

Eligible New Jersey taxpayers must take advantage of Amnesty while they can:

- Eligible periods cover State tax liabilities for tax returns due on or after February 1, 2009 through September 1, 2017.
- Penalty for not taking advantage of Amnesty: an additional 5% non-abatable penalty is imposed on any eligible debts not resolved during the Amnesty period.

Benefits

The Amnesty program will benefit a broad population of New Jersey taxpayers:

- The program offers relief to many taxpayers in a variety of situations (gross income, sales and use tax, corporate business tax, inheritance and estate taxes, motor fuels, etc.).
- Surprisingly, the program includes those amounts currently under audit or being contested with the Division of Taxation.
- The program excludes taxes such as property taxes and payroll taxes owed to the NJ Department of Labor.
- A taxpayer is not eligible for amnesty if the taxpayer is under criminal investigation or charge for a State tax matter.

Note: taxpayers must waive all rights to appeal any liability paid under the program.

Recommendation

Taxpayers who believe that they may be eligible or who receive a notice of eligibility for the 2018 Tax Amnesty Program should act quickly to determine their liability during the covered periods. We are available to assist clients with determining eligibility and/or the amounts eligible for the program, and to work with taxpayers to report their tax liabilities to the Division under the program.

Contact Us

If you have any questions regarding the 2018 Tax Amnesty Program and how to participate, contact your PKF O'Connor Davies' tax advisor or Sandy Weinberg, JD, Principal at sweinberg@pkfod.com, Robert Raiola, CPA, Director at rriola@pkfod.com or Jill Cantor, JD, CPA, Senior Manager at jcantor@pkfod.com.

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