



# This Week in State Tax (TWIST)

July 15, 2024



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## New Jersey: 2.5 Percent Corporate Transit Fee Enacted

New Jersey Assembly Bill 4704 was signed into law on June 28, 2024. The measure adopts a new, temporary 2.5 percent surtax termed a “Corporate Transit” fee. The corporate transit fee is imposed on corporation business tax (CBT) taxpayers that have New Jersey allocated taxable net income in excess of \$10 million. S Corporations and public utilities are not subject to the fee. The fee is imposed for privilege periods beginning on and after January 1, 2024 through December 31, 2028. No credits are allowed against the corporate transit fee, except for credits for installment payments, estimated payments made with requests for extension of time for filing a return, or overpayments from prior privilege periods.

All revenue from the corporate transit fee will be appropriated annually to support New Jersey Transit operating expenses and to pay provide state’s matching funds required to receive federal funding for eligible New Jersey Transit capital projects. Please stay tuned to TWIST for future rate changes.

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