

## Income/Franchise:

### New Jersey: Summary of New Law on Partnership Audits, S Corp Elections, and Statute of Limitations

*2022 Tax Law Summaries*, N.J. Div. of Tax. (2/1/23). The New Jersey Division of Taxation posted a summary of newly enacted legislation [see A.B. 4295 (2022) and *State Tax Matters*, Issue 2023-1, for more details on one of these pieces of legislation], which includes changes to the administration of New Jersey's gross (individual) income tax and corporation business tax (CBT) by:

**URL:** <https://www.state.nj.us/treasury/taxation/newlegislation2022.shtml>

**URL:** <https://www.njleg.state.nj.us/bill-search/2022/A4295>

**URL:** [https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2023/STM/230106\\_12.html](https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2023/STM/230106_12.html)

1. Providing how and when some partnerships must report federal tax adjustments to the New Jersey Division of Taxation in response to the new federal partnership audit regime under the 2015 Bipartisan Budget Act;
2. Eliminating the requirement to affirmatively elect New Jersey S corporation status and providing an election to opt out of being treated as an S corporation; and
3. Ending COVID pandemic-related statute of limitations (SOL) extensions concerning certain state taxes. The summary cites the actual legislation and lists both the effective and signing dates of the various bills.

Please contact us with any questions.

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