



# \$500 N.J. tax rebate checks will be in the mail Friday. Here are all the details you'll need.

By [Samantha Marcus](#) | [NJ Advance Media for NJ.com](#)

New Jersey will begin issuing rebate checks to some of the more than 760,000 eligible households, with the first 51,000 checks hitting the mail Friday, the Department of Treasury said.

Couples with income below \$150,000 and at least one dependent child and individuals with income below \$75,000 and at least one dependent child are slated to receive income tax rebates of up to \$500, under the \$46.4 billion [budget signed](#) by Gov. Phil Murphy on Tuesday.

Eligibility is based on New Jerseyans' 2020 tax returns.

Murphy and legislative leaders agreed to tax rebates as part of a deal last fall to raise taxes on high-earners and included more than \$300 million for the program in the [new fiscal year budget](#).

The agreement, announced in September, came amid the fallout from the pandemic. Officials said the deal would help both the state and its low- and middle-income families during the health and economic crises.

Treasury expects to issue roughly 100,000 checks per week, according to a spokeswoman.

## Here's everything you need to know:

### 1. Who is eligible to receive a tax rebate?

Married couples in New Jersey with income below \$150,000 and at least one dependent child qualify for a rebate check. Individuals with less than \$75,000 in income and at least one dependent child qualify.

### 2. Do you really need a dependent child to qualify?

Yes.

### 3. Eligibility for the federal stimulus payments was based on adjusted gross income. What is eligibility based on?

The benefit is based on 2020 gross income, which is your income before taxes and deductions.

### 4. Are non-residents eligible?

No. Only New Jersey residents are eligible for the rebate.

### 5. How many households qualify?

The administration estimated 764,000 New Jersey households qualify for a rebate.

## **6. How much money will you receive?**

The maximum rebate is \$500.

Unlike the federal stimulus payments, there is no sliding scale based on income here. However, it is a non-refundable tax rebate, which means your state income tax liability has to be at least \$500 to receive the full \$500 rebate. If your state income tax liability is only \$300, you will receive a \$300 rebate. If it is \$100, you'll receive a \$100 rebate.

“The rebate is the lesser of \$500 or an amount equal to the amount of tax after credits on the 2020 gross income tax return,” the Treasury Department said.

The more than 716,000 eligible couples filing jointly will receive an average of \$425, while the nearly 48,000 single filers will receive an average of \$297, according to the Department of Treasury.

## **7. What if you have more than one dependent child?**

Also unlike the federal stimulus payments, this rebate does not take into account how many dependent children you have.

## **8. Do you have to apply for the rebates?**

No. If you filed a 2020 return, it will automatically be sent to you if you qualify. The state is sending paper checks, not direct deposit.

## **9. What if you receive a check in error?**

Because the rebates are calculated and issued based on income tax returns, Treasury isn't expecting problems, spokeswoman Danielle Currie said. The department will update its guidance “as new developments arise,” she added.

## **10. Can the rebate be garnished for back taxes or child support?**

It will be subject to the Set-Off of Individual Liability, which withholds tax refunds or benefits from anyone who owes federal taxes, child support, traffic fines, or other debts, the Treasury Department said.