

# A tax on hardworking disabled New Jerseyans is downright wrong | Opinion

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Norman Smith, chair of the New Jersey statewide Independent Living Council, makes a case against imposing a premium on hardworking people with disabilities.

By Star-Ledger Guest Columnist

**By Norman A. Smith**

In recent months, Gov. Phil Murphy and the New Jersey State Legislature did something very important for people with disabilities: They made it possible for us to work in jobs – any jobs – without fear of losing our vital supports and services.

Indeed, in January, the governor signed into law a bill – unanimously adopted by both political parties in both legislative chambers – that eliminates the income and age caps on the “NJ Workability” program. In so doing, they made it possible for people with disabilities to realize their full professional potential.

This is huge.

Workability is the New Jersey version of the federal government’s Medicaid “buy-in” program, which makes it possible for people with disabilities to earn paychecks that would otherwise make them ineligible for publicly-funded community-based services. The federal program and its New Jersey variant have been around for years and have been a godsend for people and their families throughout our state. They have given many New Jerseyans the opportunity to engage in meaningful work for meaningful salaries.

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But it's never been enough. The seemingly arbitrary income and age limitations (up to about \$68,000 per year and up to the age of 64) have forced otherwise hardworking, taxpaying citizens into a life of underemployment and unemployment — something that is bad for the individuals and their families as well as bad for our State economy more generally.

Moreover, like some other publicly-funded programs, Workability has had a built-in marriage penalty that has placed an income cap of \$92,000 per year on married couples, thereby forcing some working people with disabilities to choose between getting married or keeping vital supports and services.

So we were excited and grateful for the smart, compassionate, visionary leadership that led to the new law and to the changes it promised – changes that could help level the playing field for working people with disabilities.

But in recent weeks, word has started to spread that the state is thinking about imposing a “premium” on those who benefit from the new and improved Workability program – an idea that was reportedly rejected years ago by the state because it was too costly to implement and an idea that has been apparently rejected in some other states because it is unnecessary and unfair.

- It is unnecessary because the new, expanded Workability program will not likely cost the State any additional money. In fact, it will likely save and raise more money for the State. After all, a person with disabilities who needs services and supports will need them regardless of the size of their paycheck – regardless if they make \$25,000 per year or \$250,000 per year. Indeed, the only difference is that person with a higher paycheck will likely pay higher taxes and rely less on other government-funded programs, including food and rental assistance.
- It is unfair because a “premium” – which is just another word for a “tax” – would single out people with disabilities who want to work and effectively punish them for having disabilities and needing accommodations. After all, practically everyone – with or without a disability – benefits from government-funded programs, directly or indirectly. From students to seniors to homeowners to small business leaders – practically everyone benefits from some sort of public assistance or tax code provision. Yet, none of them have to pay a “premium.”

Granted, the recently enacted Workability law does allow the state to impose a premium/tax, but as the federal guidelines make clear, “Premiums are not mandatory. Not all states require Medicaid “buy-in” beneficiaries to pay premiums.”

So, why would New Jersey distinguish itself as one of the states to impose this disability tax, particularly since many people with disabilities — even without this draconian measure — face financial hardships unknown to others, as outlined in a recent study by the [National Disability Institute](#)?

In his second inaugural address, Governor Murphy spoke of New Jersey as the “opportunity state” – one that is stronger, fairer and more affordable. He underscored the importance of “good-paying jobs.” He boasted of his administration’s record of “tax cuts” and “tax relief.” And he explained that “standing for fairness is a patriotic act.”

Now, with this expanded Workability law, we can help fulfill the governor’s vision in a very compelling, very inclusive way. But to do so, we must say “NO” to any unnecessary, unfair tax on hardworking people with disabilities.

*Norman A. Smith is the chair of the [New Jersey Statewide Independent Living Council](#), the federally-mandated and cross-disability organization that advocates for independent living resources and opportunities for persons with disabilities regardless of age or diagnosis.*

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