FORM N-30D

Initial annual and semi-annual reports mailed to investment company shareholders pursuant to Rule 30e-1 (other than those required to be submitted as part of Form NCSR)

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MUNIYIELD NEW JERSEY FUND INC

CIK:**884216**| IRS No.: **223153971** | State of Incorp.:**NJ** | Fiscal Year End: **1130**
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MuniYield New Jersey Fund, Inc.

Annual
Report
November 30, 1993

This report, including the financial information herein, is transmitted to the shareholders of MuniYield New Jersey Fund, Inc. for their information. It is not a prospectus, circular or representation intended for use in the purchase of shares of the Fund or any securities mentioned in the report. Past performance results shown in this report should not be considered a representation of future performance. The Fund has leveraged its Common Stock by issuing Preferred Stock to provide Common Stock shareholders with a potentially higher rate of return. Leverage creates risks for Common Stock shareholders, including the likelihood of greater volatility of net asset value and market price of shares of the Common Stock, and the risk that fluctuations in the short-term dividend rates of the Preferred Stock may affect the yield to Common Stock shareholders.

MuniYield New Jersey Fund, Inc.
Box 9011
Princeton, NJ
08543-9011

MuniYield New Jersey Fund, Inc.

TO OUR SHAREHOLDERS

For the year ended November 30, 1993, the Common Stock of MuniYield New Jersey Fund, Inc. earned $0.972 per share income dividends, representing a net annualized yield of 6.12%, based on a month-end net asset value of $15.88 per share. Over the same period, total investment return on the Fund's Common Stock was +17.35%, based on a change in per share net asset value from $14.40 to $15.88, and assuming reinvestment of $0.969 per share income dividends.

For the six-month period ended November 30, 1993, total investment return on the Fund's Common Stock was +5.93%, based on a change in per share net asset value from $15.45 to $15.88, and assuming reinvestment of $0.485 per share income dividends.

For the six months ended November 30, 1993, the average yield on the Fund's Auction Market Preferred Stock was 2.96%.

The Environment
The US economy began to show some signs of improvement during the six-month period ended November 30, 1993, with little evidence of an appreciable increase in the rate of inflation. The industrial sector is demonstrating growing strength, yet capacity utilization is still well below the levels associated with rising inflation. Consumer spending has improved, but the labor market remains soft. Despite the areas of economic weakness that persist, concerns arose during the quarter that the rate of business activity might increase inflationary pressures.

Other developments during the November period had significant long-term implications for the US financial markets. Although Boris Yeltsin's swift and apparently decisive victory over his hard-line opponents in Russia created little immediate disruption in the world financial markets, the future of political and economic reform in the former Soviet Union is far from certain. Evidence of greater progress toward a free-market economy and democratic government in Russia would have more positive implications for the US financial markets over the longer term. The outline for proposed healthcare reform is also very important for the US economy. As the various healthcare reform proposals are debated, investors will focus on their potential effects on the Federal budget, the US economy and the quality of healthcare delivery in the United States. Finally, the ratification of the North American Free Trade Agreement by the US Congress was important not only for the prospect of expanding trade with Canada and Mexico, but also as a positive influence on the recently concluded round of negotiations on the General Agreement on Tariffs and Trade. Further economic integration and growth through trade liberalization would be positive for the capital markets in the United States and around the world.

The Municipal Market

The municipal bond market exhibited considerable volatility during the quarter ended November 30, 1993. From September through mid-October, municipal bond yields continued their earlier decline. By mid-October, yields on tax-exempt revenue bonds maturing in 30 years, as reflected by the Bond Buyer Revenue Bond Index, had declined an additional 15 basis points (0.15%) to another record low of 5.41%. However, the municipal bond market then reacted sympathetically to a nervous US Treasury bond market during the remainder of the quarter, and tax-exempt bond yields rose to end the quarter at 5.47%. Despite the increase in bond yields late in the quarter, it is important to note that tax-exempt bond yields have declined approximately 70 basis points since the beginning of 1993.

The pace of new municipal bond issuance slowed during the November quarter. More than $62 billion in tax-exempt securities were issued over the last three months, an increase of more than 5% versus the November 1992 quarter's issuance. In recent quarters, however, new bond issuance had been increasing at a rate of approximately 25%. Even this relative decline in supply was unable to provide any technical support for the municipal bond market as investors became extremely concerned that economic growth would dramatically accelerate during the last calendar quarter of 1993 and continue into early 1994. This projected growth and expected associated inflationary pressures combined to cause yields to rise significantly in late October and November.

A number of additional factors have been involved in the recent increase in tax-exempt bond yields. Individual investors have demonstrated only limited interest in the municipal bond market over the last month. This probably has been related to a combination of seasonal factors and the desire to avoid the tax liability resulting from the large capital gains expected to be declared by most bond funds this year. Also, many larger institutional investors have been reluctant participants in the markets in order not to jeopardize their already strong year-to-date performances. Consequently, recent interest rate volatility has been intensified by this decline in demand.

By early 1994, however, it is likely that demand will increase significantly. The proceeds from bond maturities, bond calls and coupon payments beginning in January will all need to be reinvested. The new higher marginal Federal tax rates will also go into effect in January. Given the ongoing attractive after-tax benefits municipal bonds provide, it is likely that both individual and institutional investors will return to the tax-exempt bond market. This increased demand should serve to stabilize the market in early 1994.

Portfolio Strategy

The New Jersey sector of the tax-exempt arena experienced a similar, though more muted, period of volatility as that experienced by the municipal market in general during the quarter ended November 30, 1993. This relative outperformance is largely attributable to the extremely favorable technical dynamic which has supported the market for New Jersey tax-exempt issues throughout the last year. While national issuance of tax-exempt debt increased by more than 22% when compared with 1992's issuance, New Jersey tax-exempt issuance experienced a striking decrease of 9.2%. When combined with the record levels of demand exhibited by individuals via direct purchase and mutual fund participation, this trend has made New Jersey municipal bonds among the market's best-performing securities.

As such, when prices moved higher during the early portion of the three-month period ended November 30, 1993, New Jersey issues were propelled to the forefront of the market. Conversely, the rise in yields experienced during the later portion of the quarter proved to be much more muted within the New Jersey sector.

To capitalize on the opportunities inherent in such an environment, the portfolio maintained a constructive posture throughout the November quarter. We maintained assets in those issues offering attractive levels of tax-exempt income, good qualities of protection from redemption prior to maturity and strong characteristics for potential price appreciation should the secular trend toward lower interest rates continue in the weeks and months ahead. We placed additional emphasis on an ongoing review of the creditworthiness of individual issuers within the universe of New Jersey tax-exempt debt in order to maintain the integrity of our holdings.

Dividends paid to Preferred Stock shareholders are significantly lower than the income earned on the Fund's long-term investments, and therefore the Common Stock shareholders are the beneficiaries of the incremental yield. Should the interest rate differential between short-term and long-term interest rates narrow because of a rise in short-term interest rates, the incremental yield "pick up" on the Common Stock will be reduced. Furthermore, if long-term interest rates rise, the Common Stock net asset value will reflect the full decline in the entire portfolio holdings, since the value of the Fund's Preferred Stock does not fluctuate. For a complete explanation, see page 3 of this report to shareholders.

We appreciate your ongoing interest in MuniYield New Jersey Fund, Inc., and we look forward to serving your investment needs and objectives in the months and years to come.

Sincerely,

(Arthur Zeikel)
Arthur Zeikel
President

(Vincent R. Giordano)
Vincent R. Giordano
Vice President and Portfolio Manager

December 29, 1993

THE BENEFITS AND RISKS OF LEVERAGING

MuniYield New Jersey Fund, Inc. utilizes leveraging to seek to enhance the yield and net asset value of its Common Stock. However, these objectives cannot be achieved in all interest rate environments. To leverage, the Fund issues Preferred Stock, which pays dividends at prevailing short-term interest rates and invests the proceeds in long-term municipal bonds. The interest earned on these investments is paid to Common Stock shareholders in the form of dividends, and the value of these portfolio holdings is reflected in the per share net asset value of the Fund's Common Stock. However, in order to benefit Common Stock shareholders, the yield curve must be positively sloped; that is, short-term interest rates must be lower than long-term interest rates. At the same time, a period of generally declining interest rates will benefit Common Stock shareholders. If either of these conditions change, then the risks of leveraging will begin to outweigh the benefits.

To illustrate these concepts, assume a fund's Common Stock capitalization of $100 million and the issuance of Preferred Stock for an additional $50 million, creating a total value of $150 million available for investment in long-term municipal bonds. If prevailing short-term interest rates are approximately 3% and long-term interest rates are approximately 6%, the yield curve has a strongly positive slope. The fund pays dividends on the $50 million of Preferred Stock based on the lower short-term interest rates. At the same time, the fund's total portfolio of $150 million earns the income based on long-term interest rates.

In this case, the dividends paid to Preferred Stock shareholders are significantly lower than the income earned on the fund's long-term investments, and therefore the Common Stock shareholders are the beneficiaries of the incremental yield. However, if short-term interest rates rise, narrowing the differential between short-term and long-term interest rates, the incremental yield pick-up on the Common Stock will be reduced. At the same time, the market value of the fund's Common Stock (that is, its price as listed on the New York Stock Exchange) may, as a result, decline. Furthermore, if long-term interest rates rise, the Common Stock's net asset value will reflect the full decline in the price of the portfolio's investments, since the value of the fund's Preferred Stock does not fluctuate. In addition to the decline in net asset value, the market value of the fund's Common Stock may also decline.

PORTFOLIO ABBREVIATIONS

To simplify the listings of MuniYield New Jersey Fund, Inc.'s portfolio holdings in the Schedule of Investments, we have abbreviated the names of many of the securities according to the list at right.

AMT	Alternative Minimum Tax (subject to)
COP	Certificates of Participation
EDA	Economic Development Authority
M/F	Multi-Family
UT	Unlimited Tax
VRDN	Variable Rate Demand Notes

<TABLE>
SCHEDULE OF INVESTMENTS (in Thousands)

S&P Ratings	Moody's Ratings	Face Amount	Issue	Value (Note 1a)
New Jersey--96.1%				
			Atlantic County, New Jersey, Utilities Authority Solid Waste Revenue Bonds:	
NR	Baa	$ 1,375	7% due 3/01/2008	$ 1,470
NR	Baa	2,400	7.125% due 3/01/2016	2,579
NR	A1	3,545	Camden County, New Jersey, Improvement Authority, Lease Revenue Bonds (Property & Equipment Program), 6% due 12/01/2012	3,720
AAA	Aaa	3,145	Delaware River Joint Toll Bridge Commission, Revenue Refunding Bonds (Pennsylvania Bridge), 6.25% due 7/01/2012 (c)	3,344
NR	A1	1,120	Essex County, New Jersey, Improvement Authority, Parking Facility Revenue Bonds, 6.20% due 7/01/2022	1,174
AAA	Aaa	1,500	Hamilton Township, Atlantic County, New Jersey, Municipal Utilities Authority Revenue Bonds, 6% due 8/15/2017 (c)	1,592
AAA	Aaa	5,380	Hudson County, New Jersey, COP, Refunding (Correctional Facilities), 6.60% due 12/01/2021 (b)	5,921
A1+	NR	800	Hudson County, New Jersey, Improvement Authority Revenue Bonds (Various Solid Waste Resource Recovery Projects), VRDN, Series A, 2.45% due 12/01/2019 (a)	800
			Mercer County, New Jersey, Improvement Authority Revenue Bonds:	
NR	Aa1	5,000	(County Courthouse Project), 6.60% due 11/01/2014	5,433
AAA	Aaa	7,185	Refunding (Solid Waste Project), Series A, AMT, 6.70% due 4/01/2013 (c)	7,953
NR	Baa1	1,550	Refunding (Solid Waste Project), Series B, AMT, 6.80% due 4/01/2005	1,682
AAA	Aaa	3,000	New Brunswick, New Jersey, Housing and Urban Development Authority, Lease Revenue Bonds, 6% due 7/01/2012 (b)	3,191
NR	VMG1	100	New Jersey EDA, Dock Facility, Revenue Refunding Bonds (Bayonne Improvement Project), Series A, VRDN, 1.95% due 12/01/2027 (a)	100
AAA	Aaa	1,545	New Jersey EDA, Revenue Bonds (St. Barnabas Realty Project), 5.25% due 7/01/2013 (b)	1,512
AA-	Aa	6,000	New Jersey EDA, Revenue Bonds (Trenton Office Complex), 6% due 6/15/2012	6,231

</TABLE>

<TABLE>
SCHEDULE OF INVESTMENTS (continued) (in Thousands)

S&P Ratings	Moody's Ratings	Face Amount	Issue	Value (Note 1a)
New Jersey (continued)				
NR	Aa1	$10,750	New Jersey EDA, Solid Waste Disposal Facilities Revenue Bonds (Garden State Paper Company), AMT, 7.125% due 4/01/2022	$ 12,049
			New Jersey Health Care Facilities Financing Authority Revenue Bonds:	
A-	NR	1,000	(Pascack Valley Hospital Association), 6.90% due 7/01/2021	1,093
A-	A	6,060	Refunding (Atlantic City Medical Center), Series C, 6.80% due 7/01/2011	6,660
AAA	Aaa	2,000	Refunding (Hackensack Medical Center), 6.625% due 7/01/2011 (c)	2,198
BBB-	Baa	3,875	(Saint Elizabeth Hospital), Series B, 8.25% due 7/01/2020	4,405
			New Jersey Sports and Exposition Authority, State Contract Revenue Bonds:	
A+	Aa	5,965	Series A, 6.50% due 3/01/2019	6,503
A-1	VMG1	800	Series C, VRDN, 2.15% due 9/01/2024 (a)(b)	800
			New Jersey State Educational Facilities Authority Revenue Bonds:	
A-	NR	8,255	Higher Education (Drew University), Series E, 6.25% due 7/01/2017	8,815
AA+	Aa1	5,435	Higher Education (Princeton University), Series C, 6.375% due 7/01/2022	5,844
A-	Baa	3,355	Higher Education (Saint Peter's College), Series B, 6.80% due 7/01/2008	3,729
A-	Baa	3,600	Higher Education (Saint Peter's College), Series B, 6.85% due 7/01/2012	4,005
AAA	Aaa	3,740	Refunding (Rider College), Series D, 6.20% due 7/01/2017 (e)	4,029
A-	Baa1	6,030	(Stevens Institute of Technology), Series A, 6.80% due 7/01/2008	6,702
			New Jersey State Highway Authority, General Revenue Senior Parkway Bonds (Garden State Parkway):	
AA-	A1	7,000	6.25% due 1/01/2014	7,452
AA-	A1	2,390	6% due 1/01/2016	2,473
AAA	Aaa	8,000	New Jersey State Housing & Mortgage Finance Agency, Home Buyer Revenue Bonds, AMT, 6.30% due 4/01/2025 (b)	8,408
AAA	NR	2,520	New Jersey State Housing & Mortgage Finance Agency, M/F Housing Revenue Refunding Bonds (Presidential Plaza), 7% due 5/01/2030 (d)	2,769

			New Jersey State Turnpike Authority, Turnpike Revenue Refunding Bonds:	
A	A	7,000	Series A, 6.75% due 1/01/2008	7,795
A	A	5,000	Series C, 5.75% due 1/01/2011	5,093
AAA	Aaa	3,485	New Jersey Wastewater Treatment Trust, Loan Revenue Bonds, 4.80% due 3/01/2012 (e)	3,306
			New Jersey Wastewater Treatment Trust, Loan Revenue Bonds, Series A:	
AA	Aa	2,375	6% due 7/01/2010	2,528
AA	Aa	2,485	6% due 7/01/2011	2,637
			North Brunswick Township, New Jersey, Revenue Bonds, UT:	
NR	Aa	2,405	6.50% due 5/15/2012	2,665
NR	Aa	2,710	6.50% due 5/15/2013	3,013
AAA	Aaa	2,010	North Jersey District Water Supply, New Jersey, Community Revenue Refunding Bonds (Wanaque North Project), Series B, 6.50% due 11/15/2011 (b)	2,209
AA-	Aa	5,000	Ocean County, New Jersey, Utilities Authority, Wastewater Revenue Refunding Bonds, Series A, 5.75% due 1/01/2018	5,034

</TABLE>

<TABLE>

SCHEDULE OF INVESTMENTS (concluded) (in Thousands)

<CAPTION>

S&P Ratings	Moody's Ratings	Face Amount	Issue	Value (Note 1a)
New Jersey (concluded)				
<S>	<S>	<C>	<S>	<C>
AAA	Aaa	$ 7,740	Passaic Valley, New Jersey, Water Commission, Water Supply Revenue Bonds, Series A, 6.40% due 12/15/2022 (c)	$ 8,494
			Port Authority of New York and New Jersey, Consolidated Revenue Bonds:	
AA-	A1	2,465	67th Series, 6.90% due 7/01/2011	2,762
AA-	A1	1,000	69th Series, 7.125% due 6/01/2025	1,139
AA-	A1	1,000	91st Series, 5.20% due 11/15/2015	971
			Rutgers State University, New Jersey, Revenue Refunding Bonds (State University of New Jersey):	
AA	A1	2,275	Series A, 6.50% due 5/01/2018	2,470
AA	A1	3,150	Series R, 5.75% due 5/01/2018	3,211
A+	NR	1,000	South Jersey Port Corporation, New Jersey, Revenue Refunding Bonds (Marine Terminal), Series G, 5.60% due 1/01/2023	975
AA	A	3,100	University Medicine and Dentistry, New Jersey, Revenue Bonds, Series E, 6.50% due 12/01/2018	3,370
Puerto Rico--2.8%				
A-	Baa1	5,000	Puerto Rico Electric Power Authority, Power Revenue Bonds, Series P, 7% due 7/01/2021	5,656
Total Investments (Cost--$182,633)--98.9%				197,964
Other Assets Less Liabilities--1.1%				2,250

Net Assets--100.0%				$200,214
				========

<FN>

(a) The interest rate is subject to change periodically based upon the prevailing market rate. The interest rate shown is the rate in effect at November 30, 1993.
(b) MBIA Insured.
(c) FGIC Insured.
(d) FHA Insured.
(e) AMBAC Insured.
Ratings of issues shown have not been audited by Deloitte & Touche.

See Notes to Financial Statments.

</TABLE>

<TABLE>

FINANCIAL INFORMATION

<CAPTION>

Statement of Assets, Liabilities and Capital as of November 30, 1993

<S>	<S>	<C>	<C>
Assets:	Investments, at value (identified cost--$182,632,619)(Note 1a)		$197,964,435
	Interest receivable		3,878,010
	Deferred organization expenses (Note 1e)		21,704
	Prepaid expenses and other assets		48,722

	Total assets		201,912,871

Liabilities:	Payables:		
	Distribution to shareholders (Note 1g)	$ 551,240	
	Investment adviser (Note 2)	87,839	639,079

	Accrued expenses and other liabilities		1,059,921

	Total liabilities		1,699,000
Net Assets:	Net assets		$200,213,871
Capital:	Capital Stock (200,000,000 shares authorized) (Note 4):		
	Preferred Stock, par value $.10 per share (1,200 shares of AMPS* issued and outstanding at $50,000 per share liquidation preference)		$ 60,000,000
	Common Stock, par value $.10 per share (8,829,651 shares issued and outstanding)	$ 882,965	
	Paid-in capital in excess of par	123,126,788	
	Undistributed investment income--net	718,756	
	Undistributed realized capital gains--net	153,546	
	Unrealized appreciation on investments--net	15,331,816	
	Total--Equivalent to $15.88 net asset value per share of Common Stock (market price--$15.625)		140,213,871
	Total capital		$200,213,871

<FN>
* Auction Market Preferred Stock.
See Notes to Financial Statements.

</TABLE>

<TABLE>
FINANCIAL INFORMATION (continued)
<CAPTION>
Statement of Operations

<S>	<S>	<C>	<C> For the Year Ended November 30, 1993
Investment Income (Note 1d):	Interest and amortization of premium and discount earned		$ 11,616,160
Expenses:	Investment advisory fees (Note 2)	$ 977,866	
	Commission fees	108,755	
	Professional fees	73,781	
	Accounting services (Note 2)	40,450	
	Transfer agent fees	37,233	
	Printing and shareholder reports	24,498	
	Directors' fees and expenses	18,677	
	Listing fees	16,349	
	Custodian fees	13,020	
	Amortization of organization expenses (Note 1e)	6,337	
	Pricing fees	2,961	
	Other	21,139	
	Total expenses		1,341,066
	Investment income--net		10,275,094
Realized & Unrealized Gain on Investments--Net (Notes 1d & 3):	Realized gain on investments--net		153,572
	Change in unrealized appreciation on investments--net		12,791,096
	Net Increase in Net Assets Resulting from Operations		$ 23,219,762

<FN>
See Notes to Financial Statements.
</TABLE>

<TABLE>
FINANCIAL INFORMATION (continued)
<CAPTION>
Statements of Changes in Net Assets

Increase (Decrease) in Net Assets: <S>	<S>	<C> For the Year Ended November 30, 1993	<C> For the Period May 1, 1992++ to November 30, 1992
Operations:	Investment income--net	$ 10,275,094	$ 5,230,276
	Realized gain on investments--net	153,572	100,214
	Change in unrealized appreciation on investments--net	12,791,096	2,540,720
	Net increase in net assets resulting from operations	23,219,762	7,871,210
Dividends & Distributions to Shareholders (Note 1g):	Investment income--net:		
	Common Stock	(8,382,854)	(3,730,088)
	Preferred Stock	(1,856,268)	(817,404)
	Realized gain on investments--net:		
	Common Stock	(82,212)	--

	Preferred Stock	(18,028)	--
	Net decrease in net assets resulting from dividends and distributions to shareholders	(10,339,362)	(4,547,492)
Capital Stock Transactions (Notes 1e & 4):	Net proceeds from issuance of Common Stock	--	117,756,607
	Proceeds from issuance of Preferred Stock	--	60,000,000
	Value of shares issued to Common Stock shareholders in reinvestment of dividends	3,490,914	2,662,227
	Net increase in net assets derived from capital stock transactions	3,490,914	180,418,834
Net Assets:	Total increase in net assets	16,371,314	183,742,552
	Beginning of period	183,842,557	100,005
	End of period*	$200,213,871	$183,842,557

<FN>
* Undistributed investment income--net $ 718,756 $ 682,784

++Commencement of Operations.
See Notes to Financial Statements.
</TABLE>

<TABLE>
FINANCIAL INFORMATION (concluded)
Financial Highlights
<CAPTION>

The following per share data and ratios have been derived from information provided in the financial statements.

Increase (Decrease) in Net Asset Value:

<S>	<S>	<C> For the Year Ended November 30, 1993	<C> For the Period May 1, 1992++ to November 30, 1992
Per Share Operating Performance:	Net asset value, beginning of period	$ 14.40	$ 14.18
	Investment income--net	1.17	.62
	Realized and unrealized gain on investments--net	1.49	.31
	Total from investment operations	2.66	.93
	Less dividends and distributions to Common Stock shareholders:		
	Investment income--net	(.96)	(.44)
	Realized gain on investments--net	(.01)	--
	Total dividends and distributions to Common Stock shareholders	(.97)	(.44)
	Capital charge resulting from issuance of Common Stock	--	(.03)
	Effect of Preferred Stock activity:++++		
	Dividends to Preferred Stock shareholders:		
	Investment income--net	(.21)	(.10)
	Capital charge resulting from issuance of Preferred Stock	--	(.14)
	Total effect of Preferred Stock activity	(.21)	(.24)
	Net asset value, end of period	$ 15.88	$ 14.40
	Market price per share, end of period	$ 15.625	$ 14.875
Total Investment Return:**	Based on market price per share	11.78%	2.19%+++
	Based on net asset value per share	17.35%	4.65%+++
Ratios to Average Net Assets:***	Expenses, net of reimbursement	.69%	.43%*
	Expenses	.69%	.69%*
	Investment income--net	5.26%	5.51%*
Supplemental Data:	Net assets, net of Preferred Stock, end of period (in thousands)	$ 140,214	$ 123,833
	Preferred Stock outstanding, end of period (in thousands)	$ 60,000	$ 60,000
	Portfolio turnover	5.14%	27.13%
Dividends Per Share on Preferred Stock Outstanding:	Investment income--net	$ 1,547	$ 681

<FN>
* Annualized.
** Total investment returns based on market value, which can be significantly greater

or lesser than the net asset value, result in substantially different returns. Total investment returns exclude the effects of sales loads.
*** Do not reflect the effect of dividends to Preferred Stock shareholders.
++ Commencement of Operations.
++++ The Fund's Preferred Stock was issued on July 1, 1992.
+++ Aggregate total investment return.
See Notes to Financial Statements.
</TABLE>

NOTES TO FINANCIAL STATEMENTS

1. Significant Accounting Policies:
MuniYield New Jersey Fund, Inc. (the "Fund") is registered under the Investment Company Act of 1940 as a non-diversified, closed-end management investment company. The Fund determines and makes available for publication the net asset value of its Common Stock on a weekly basis. The Fund's Common Stock is listed on the New York Stock Exchange under the symbol MYJ. The following is a summary of significant accounting policies followed by the Fund.

(a) Valuation of investments--Municipal bonds are traded primarily in the over-the-counter market and are valued at the most recent bid price or yield equivalent as obtained by the Fund's pricing service from dealers that make markets in such securities. Financial futures contracts, which are traded on exchanges, are valued at their closing prices as of the close of such exchanges. Options, which are traded on exchanges, are valued at their last sale price as of the close of such exchanges or, lacking any sales, at the last available bid price. Securities with remaining maturities of sixty days or less are valued at amortized cost, which approximates market value. Securities for which market quotations are not readily available are valued at their fair value as determined in good faith by or under the direction of the Board of Directors of the Fund.

(b) Financial futures contracts--The Fund may purchase or sell interest rate futures contracts and options on such futures contracts for the purpose of hedging the market risk on existing securities or the intended purchase of securities. Futures contracts are contracts for delayed delivery of securities at a specific future date and at a specific price or yield. Upon entering into a contract, the Fund deposits and maintains as collateral such initial margin as required by the exchange on which the transaction is effected. Pursuant to the contract, the Fund agrees to receive from or pay to the broker an amount of cash equal to the daily fluctuation in value of the contract. Such receipts or payments are known as variation margin and are recorded by the Fund as unrealized gains or losses. When the contract is closed, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed.

(c) Income taxes--It is the Fund's policy to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all of its taxable income to its shareholders. Therefore, no Federal income tax provision is required.

(d) Security transactions and investment income--Security transactions are recorded on the dates the transactions are entered into (the trade dates). Interest income is recognized on the accrual basis. Original issue discounts and market premiums are amortized into interest income. Realized gains and losses on security transactions are determined on the identified cost basis.

(e) Deferred organization expenses and offering expenses--Deferred organization expenses are amortized on a straight-line basis over a five-year period beginning with the commencement of operations of the Fund. Direct expenses relating to the public offering of the Common and Preferred Stock were charged to capital at the time of issuance of the stocks.

(f) Non-income producing investments--Written and purchased options are non-income producing investments.

(g) Dividends and distributions--Dividends from net investment income are declared and paid monthly. Distributions of capital gains are recorded on the ex-dividend dates.

2. Investment Advisory Agreement and Transactions with Affiliates:
The Fund has entered into an Investment Advisory Agreement with Fund Asset Management, Inc. ("FAMI"), a wholly-owned subsidiary

of Merrill Lynch Investment Management, Inc. ("MLIM"), an indirect wholly-owned subsidiary of Merrill Lynch & Co., Inc.

NOTES TO FINANCIAL STATEMENTS (concluded)

FAMI is responsible for the management of the Fund's portfolio and provides the necessary personnel, facilities, equipment and certain other services necessary to the operations of the Fund.

For such services, the Fund pays a monthly fee at an annual rate of 0.50% of the Fund's average weekly net assets.

Accounting services are provided to the Fund by FAMI at cost.

Certain officers and/or directors of the Fund are officers and/or directors of FAMI, MLIM, Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S") and/or Merrill Lynch & Co., Inc.

3. Investments:
Purchases and sales of investments, excluding short-term securities, for the year ended November 30, 1993 were $14,356,286 and $9,746,623, respectively.

Net realized and unrealized gains as of November 30, 1993 were as follows:

	Realized Gains	Unrealized Gains
Long-term investments	$ 153,228	$15,331,816
Short-term investments	344	--
Total	$ 153,572	$15,331,816

As of November 30, 1993, net unrealized appreciation for Federal income tax purposes aggregated $15,331,816, of which $15,360,533 related to appreciated securities and $28,717 related to depreciated securities. The aggregate cost of investments at November 30, 1993 for Federal income tax purposes was $182,632,619.

4. Capital Stock Transactions:
The Fund is authorized to issue 200,000,000 shares of capital stock, including Preferred Stock, par value $.10 per share, all of which were initially classified as Common Stock. The Board of Directors is authorized, however, to reclassify any unissued shares of capital stock without approval of the holders of Common Stock.

Common Stock
For the year ended November 30, 1993, shares outstanding increased by 230,022 to 8,829,651 as a result of dividend reinvestment. At November 30, 1993, total paid-in capital amounted to $124,009,753.

Preferred Stock
Auction Market Preferred Stock ("AMPS") are shares of Preferred Stock of the Fund that entitle their holders to receive cash dividends at an annual rate that may vary for the successive dividend periods. The yield in effect at November 30, 1993 was 2.96%.

In connection with the offering of AMPS, the Board of Directors reclassified 1,200 shares of unissued capital stock as AMPS. For the year ended November 30, 1993, there were 1,200 AMPS shares authorized, issued and outstanding with a liquidation preference of $50,000 per share, plus accumulated and unpaid dividends of $10,777.

The Fund pays commissions to certain broker-dealers at the end of each auction at the annual rate of one-quarter of 1% calculated on the proceeds of each auction. For the year ended November 30, 1993, MLPF&S, an affiliate of FAMI, earned $81,918 as commissions.

5. Subsequent Event:
On December 10, 1993, the Fund's Board of Directors declared an ordinary income dividend to Common Stock shareholders in the amount of $.077696 per share, payable on December 30, 1993 to shareholders of record as of December 20, 1993.

<AUDIT-REPORT>
INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders, MuniYield New Jersey Fund, Inc.:

We have audited the accompanying statement of assets, liabilities and capital, including the schedule of investments, of MuniYield New Jersey Fund, Inc. as of November 30, 1993, the related statements of operations for the year then ended and changes in net assets and the financial highlights for the year then ended and the period May 1, 1992 (commencement of operations) to November 30, 1992. These financial statements and the financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and the financial highlights based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned at November 30, 1993 by correspondence with the custodian. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements and financial highlights present fairly, in all material respects, the financial position of MuniYield New Jersey Fund, Inc. as of November 30, 1993, the results of its operations, the changes in its net assets and the financial highlights for the respective stated periods in conformity with generally accepted accounting principles.

Deloitte & Touche
Princeton, New Jersey
December 31, 1993
</AUDIT-REPORT>

IMPORTANT TAX INFORMATION (unaudited)

All of the net investment income distributions paid monthly by MuniYield New Jersey Fund, Inc. during its taxable year ended November 30, 1993 qualify as tax-exempt interest dividends for Federal income tax purposes.

Additionally, the following summarizes the per-share capital gain distributions declared by the Fund during the year:

<TABLE>
<CAPTION>

<S>	Record Date <C>	Payable Date <C>	Short-Term Capital Gains <C>	Long-Term Capital Gains <C>
Common Stock Shareholders	12/18/92	12/30/92	$ 0.009560	--
Preferred Stock Shareholders: Series A	12/31/92	01/04/93	$15.02	--

Please retain this information for your records.
</TABLE>

<TABLE>
PER SHARE INFORMATION
<CAPTION>
Per Share Selected Quarterly Financial Data* (unaudited)

				Dividends/Distributions		
	Net	Realized	Unrealized	Net Investment Income		Capital
For the Period	Investment Income	Gains (Losses)	Gains (Losses)	Common	Preferred	Gains
<S>	<C>	<C>	<C>	<C>	<C>	<C>
May 1, 1992++ to May 31, 1992	$.05	--	$ .10	--	--	--
June 1, 1992 to August 31, 1992	.27	$.01	.36	$.20	$.04	--
September 1, 1992 to November 30, 1992	.30	--	(.16)	.24	.06	--
December 1, 1992 to February 28, 1993	.28	(.01)	1.07	.24	.05	$.01
March 1, 1993 to May 31, 1993	.29	--	.01	.23	.06	--
June 1, 1993 to August 31, 1993	.31	.01	.66	.24	.05	--
September 1, 1993 to November 30, 1993	.29	.02	(.27)	.25	.05	--

<CAPTION>

	Net Asset Value		Market Price**		
For the Period	High	Low	High	Low	Volume***
<S>	<C>	<C>	<C>	<C>	<C>
May 1, 1992++ to May 31, 1992	$14.29	$14.14	$15.25	$15.00	86
June 1, 1992 to August 31, 1992	15.12	14.27	15.625	15.00	727
September 1, 1992 to November 30, 1992	14.81	13.70	15.625	14.00	352
December 1, 1992 to February 28, 1993	15.44	14.39	15.75	14.875	446
March 1, 1993 to May 31, 1993	15.65	15.01	15.875	15.00	487
June 1, 1993 to August 31, 1993	16.13	15.50	16.25	15.125	634

September 1, 1993 to November 30, 1993	16.56	15.71	16.375	15.00	714

<FN>
++Commencement of Operations.
*Calculations are based upon Common Stock outstanding at the end of each period.
**As reported in the consolidated transaction reporting system.
***In thousands.
</TABLE>

OFFICERS AND DIRECTORS

Arthur Zeikel, President and Director
Kenneth S. Axelson, Director
Herbert I. London, Director
Joseph L. May, Director
Andre F. Perold, Director
Terry K. Glenn, Executive Vice President
Donald C. Burke, Vice President
Vincent R. Giordano, Vice President
Kenneth A. Jacob, Vice President
Gerald M. Richard, Treasurer
Mark B. Goldfus, Secretary

Custodian
The Bank of New York
110 Washington Street
New York, New York 10286

Transfer Agents
Common Stock:
The Bank of New York
101 Barclay Street
New York, New York 10286

Preferred Stock:
IBJ Schroder Bank & Trust Company
One State Street
New York, New York 10004

NYSE Symbol
MYJ