

## Table of Contents

<a href="#">Who Must File</a>	<a href="#">2</a>
<a href="#">Extension of Time to File</a>	<a href="#">3</a>
<a href="#">Taxpayer Identification</a>	<a href="#">4</a>
<a href="#">Part-Year Nonresidents</a>	<a href="#">4</a>
<a href="#">Filing Status</a>	<a href="#">4</a>
<a href="#">Exemptions</a>	<a href="#">5</a>
<a href="#">Dependents' Information</a>	<a href="#">6</a>
<a href="#">Income</a>	<a href="#">6</a>
<a href="#">Schedule NJ-BUS-1 — Business Income Summary</a>	<a href="#">15</a>
<a href="#">Retirement/Pension Exclusion and Other Retirement Income Exclusion</a>	<a href="#">19</a>
<a href="#">Deductions</a>	<a href="#">22</a>
<a href="#">Calculating Your Tax Liability</a>	<a href="#">24</a>
<a href="#">Credits/Payments</a>	<a href="#">24</a>
<a href="#">Estimated Tax</a>	<a href="#">26</a>
<a href="#">Charitable Contributions</a>	<a href="#">27</a>
<a href="#">Part I — Disposition of Property</a>	<a href="#">28</a>
<a href="#">Part II — Allocation of Wage and Salary Income</a>	<a href="#">29</a>
<a href="#">Part III — Allocation of Business Income to New Jersey</a>	<a href="#">30</a>
<a href="#">How to Pay</a>	<a href="#">30</a>
<a href="#">Penalties, Interest, and Collection Fees</a>	<a href="#">30</a>
<a href="#">Military Personnel</a>	<a href="#">31</a>
<a href="#">Where to Mail Your Return</a>	<a href="#">31</a>
<a href="#">Pennsylvania Residents</a>	<a href="#">32</a>
<a href="#">Assembling Your Return</a>	<a href="#">33</a>
<a href="#">Tax Table</a>	<a href="#">34</a>
<a href="#">Tax Rate Schedules</a>	<a href="#">43</a>
<a href="#">Information, Forms, and Assistance</a>	<a href="#">44</a>
<a href="#">Index</a>	<a href="#">45</a>

### Do You Have to File a New Jersey Income Tax Return?

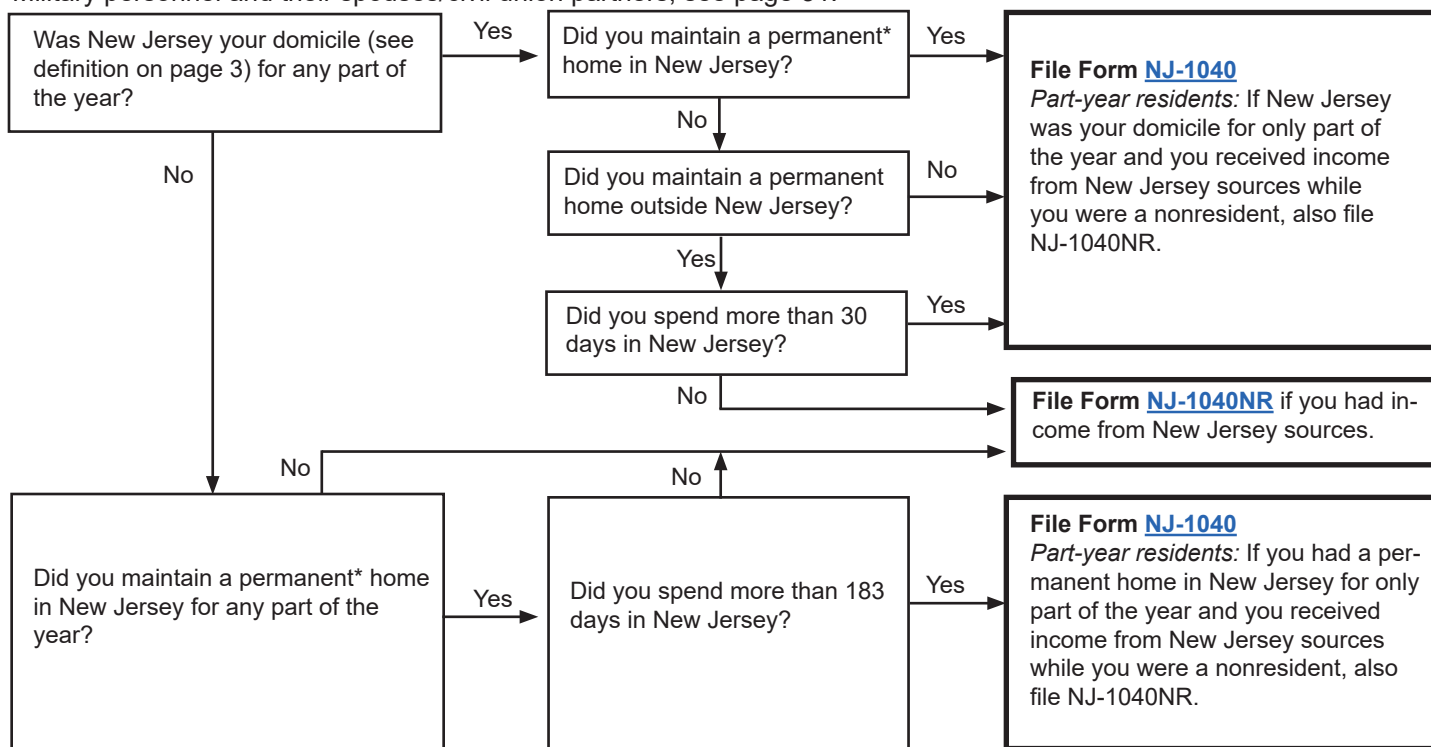
You are required to file a return if – your filing status is:	and your gross income from everywhere for the entire year was more than the filing threshold:
Single Married/CU partner, filing separate return	\$10,000
Married/CU couple, filing joint return Head of household Qualifying widow(er)/surviving CU partner	\$20,000

**Also file a return if –**

- You had New Jersey Income Tax withheld and are due a refund.
- You paid New Jersey estimated taxes for 2021 and are due a refund.

### Which Form to File

Military personnel and their spouses/civil union partners, see page 31.



\* A home is not permanent if it is maintained only for a temporary period to accomplish a particular purpose (e.g., temporary job assignment). A home used only for vacations is not a permanent home.

**New Jersey Residents Working/Living Abroad.** Use the chart above to determine if you are considered a New Jersey resident for tax purposes. New Jersey residents working or living abroad have the same filing and payment requirements as residents living in New Jersey.

**Part-Year Residents.** There is no part-year resident return. You may have to file both Form NJ-1040 to report income you received for the part of the year you were a resident and Form NJ-1040NR if you had income from New Jersey sources for the part of the year you were a nonresident.

## Things to Know Before You Begin Your 2021 NJ-1040NR

Check the following items to avoid mistakes that delay returns and refunds.

### When to File

In general, your New Jersey Income Tax return is due when your federal income tax return is due. If you are a calendar year filer, your 2021 New Jersey Income Tax return is due by April 18, 2022. If you are a fiscal year filer, you must file your return by the 15th day of the fourth month following the close of the fiscal year.

### Postmark Date

All New Jersey Income Tax returns postmarked on or before the due date of the return are considered filed on time. Tax returns postmarked after the due date are considered filed late. If the postmark date on your return is after the due date, the filing date for that return is the date we received your return, not the postmark date.

### Extension of Time to File

**There is no extension of time to pay your tax due – only to file.** Penalties and interest will be charged if you pay your tax after April 18, 2022. (Military personnel and civilians providing support to the Armed Forces, see page 31.)

You can receive a six-month extension of time to file if you pay at least 80% of your tax liability (line 41) through withholdings, estimated payments, or other payments by the original due date, and

- You enclose a copy of your federal Application for Automatic Extension, if filed by paper, and check the box at the top of your NJ-1040NR (or enter your confirmation number in the space provided if you filed the extension application online or by phone); or
- You file Form NJ-630, Application for Extension of Time to File New Jersey Gross Income Tax Return, by April 18, 2022. You can also file an extension application [online](#) until 11:59 p.m., April 18, 2022.

If you do not meet the requirements for an extension, or you do not file your return by the extended due date, we will deny your extension request and charge penalties and interest from the original due date of the return. (See “Penalties, Interest, and Collection Fees” on page 30.) You will not receive an approved copy of your extension request. We will notify you only if we deny your request, but not until after you actually file your return.

### Filling Out the Form Properly

- Use only a 2021 return for the 2021 Tax Year.
- Use only blue or black ink.
- Enter last name first on the return. This is different from the federal return.
- Use “State Wages” from box 16 of your W-2, not federal wages (box 1).
- Do not use dollar signs or dashes.
- Do not report a loss on Form NJ-1040NR (see page 6).
- To request a refund, you must enter an amount on line 63.

### Rounding

Instead of making dollars-and-cents entries on your return, you can round and use whole dollar amounts. If you round, do so for all lines, and enter “00” after the decimal for cents.

Round amounts of 50 cents or more up to the next whole dollar. For example, \$26.78 becomes \$27.00.

Round amounts of less than 50 cents down to the next whole dollar. For example, \$13.45 becomes \$13.00.

Round the total, not the amounts used to calculate the total. For example, the sum of \$13.45 and \$46.24 is \$59.69, which becomes \$60.00.

### Terms to Know

**Domicile.** A domicile is the place you consider your permanent home – the place where you intend to return after a period of absence (e.g., vacation, business assignment, educational leave). You have only one domicile, although you may have more than one place to live. Your domicile does not change until you move to a new location with the intent to establish your permanent home there and to abandon your New Jersey domicile. Moving to a new location, even for a long time, does not change your domicile if you intend to return to New Jersey. Your home, whether inside or outside New Jersey, is not permanent if you maintain it only for a temporary period to accomplish a particular purpose (e.g., temporary job assignment). For more information, see publication [GIT-6, Part-Year Residents and Nonresidents](#).

**Spouse/Civil Union Partner.** The term spouse also refers to a spouse who entered into a valid same-sex marriage in another state or foreign nation and a partner in a civil union (CU) recognized under New Jersey law.

## Line-by-Line Instructions

### Name and Address

Print or type your name (last name first), complete address, and ZIP Code in the spaces provided. If you are filing jointly, include your spouse's name. Your refund and next year's form will be sent to the address you provide.

**Change of Address.** Check the "Change of Address" box if your address has changed since you last filed a New Jersey return.

**Foreign Address.** Check the box if your mailing address is outside the United States.

### Social Security Number

**You must enter your Social Security number** in the spaces provided on the return. If you are filing jointly, enter both filers' numbers in the same order as the names.

If you (or your spouse) do not have a Social Security number, contact the Social Security Administration to apply for one. If you are not eligible for a Social Security number, contact the Internal Revenue Service to get an individual taxpayer identification number (ITIN). If you (or your spouse) applied for but have not received an ITIN by the return due date, enclose a copy of your federal Form W-7.

### State of Residency

Indicate the place outside New Jersey where you lived for the period covered by this return.

### NJ Residency Status

If you were a New Jersey resident for any part of the year, list the month, day, and year in the tax year your residency began and the month, day, and year in the tax year it ended. For example, if you moved to New Jersey August 4, 2021, enter 8/4/21 to 12/31/21.

You must file a nonresident return if you received income from a New Jersey source while you were a nonresident and your income for the **entire year** (not just your period of nonresidency) was more than the filing threshold for your filing status (see page 2). Only report income you earned while a nonresident of New Jersey.

You must prorate exemptions, deductions, credits, and the pension/retirement and other retirement income exclusions based on the number of months you were a nonresident. For this calculation, 15 days or more is considered a month. If you received income while you were

a resident of New Jersey, you also may need to file a New Jersey resident return, Form NJ-1040.

### Lines 1–5 – Filing Status

In general, you must use the same filing status as you do for federal purposes. Fill in only **one** box.

**Single.** Your filing status is single if you were not married or a partner in a civil union on the last day of the tax year, and you do not qualify to file as head of household or qualifying widow(er)/surviving CU partner.

**Married/Civil Union Couples.** If both you and your spouse were nonresidents for the entire tax year, and only one of you had income from New Jersey sources, that spouse can file a separate New Jersey return even if a joint federal return was filed. The spouse with income from New Jersey sources calculates income and exemptions as if a federal married, filing separate return had been filed. You have the option of filing a joint return, but in that case, your joint income would be reported in column A of Form NJ-1040NR.

If one spouse was a nonresident and the other a resident during the entire tax year and both had income from New Jersey sources, they can file separate New Jersey returns (the nonresident files a nonresident return and the resident files a resident return). Each calculates income and exemptions as if a federal married, filing separate return had been filed. You have the option of filing a joint resident return, but in that case, your joint income would be taxed as if you both were residents.

If you are filing separately, enter your spouse's Social Security number in the space provided under line 3.

**Note:** You can file jointly or separately only if you were married or a partner in a civil union on the last day of the tax year. Members of a domestic partnership cannot use the joint or separate filing statuses unless they entered into a legally sanctioned same-sex relationship outside New Jersey.

**Head of Household.** You can use this filing status if you meet the requirements to file as head of household for federal purposes. For more information, visit the IRS [website](#).

**Qualifying Widow(er)/Surviving CU Partner.** You can use this filing status if your spouse died in 2019 or 2020 and you meet the requirements to file as Qualifying Widow(er) for federal purposes. For more information, visit the IRS [website](#).

**Civil Unions.** Partners in a civil union must file their New Jersey Income Tax returns using the same filing statuses as spouses under New Jersey Gross Income Tax Law. If

you are a partner in a civil union, your New Jersey filing status may not match your federal filing status.

For more information, see [GIT-4, Filing Status](#).

## Exemptions

### Line 6 – Regular Exemptions

You can claim a \$1,000 exemption for yourself and your spouse/CU partner (if filing a joint return) or your Domestic Partner. Check each box that applies. The box for “Yourself” is already checked. Add the number of boxes checked and enter the total in the box on line 6.

**Note:** The domestic partnership must be registered in New Jersey by the last day of the tax year. You can only claim your domestic partner if they do not file a New Jersey return. You must enclose a copy of your Certificate of Domestic Partnership the first time you claim the exemption.

### Line 7 – Age 65 or Older

You can claim an exemption if you were 65 or older on the last day of the tax year (born in 1956 or earlier). If you are filing jointly, your spouse also can take an exemption if they were 65 or older on the last day of the tax year. You **cannot** claim this exemption for your domestic partner or dependents. Check each box that applies. Add the number of boxes checked and enter the total in the box on line 7.

You must enclose proof of age such as a copy of a birth certificate, driver’s license, or church records the first time you claim the exemption(s).

### Line 8 – Blind or Disabled

You can claim an exemption if you were blind or disabled on the last day of the tax year. If you are filing jointly, your spouse also can take an exemption if they were blind or disabled on the last day of the tax year. You **cannot** claim this exemption for your domestic partner or dependents. Check each box that applies. Add the number of boxes checked and enter the total in the box on line 8.

You must enclose a copy of the doctor’s certificate or other medical records evidencing legal blindness or total and permanent disability the first time you claim the exemption(s).

### Line 9 – Veteran Exemptions

You can claim this exemption if you are a military veteran who was honorably discharged or released under honorable circumstances from active duty any time before

the last day of the tax year. If you are filing jointly, your spouse can also take this exemption if they are a military veteran who meets the requirements. You cannot claim this exemption for your domestic partner or dependents.

You must check the box(es) for the number of exemptions you are claiming or the exemption(s) will be disallowed. Also, enter the total number of veteran exemptions in the box on line 9. The number of boxes checked must equal the number of exemptions claimed.

You must provide official documentation showing that you were honorably discharged or released under honorable circumstances from active duty the first time you claim the exemption(s). Your documentation must list your character of service (discharge).

A list of acceptable documentation and ways to submit it is available on our [website](#).

### Line 10 – Qualified Dependent Children

You can claim an exemption for each child who qualifies as your dependent for federal tax purposes. Enter the number of your dependent children on line 10.

### Line 11 – Other Dependents

You can claim an exemption for each other dependent who qualifies as your dependent for federal tax purposes. Enter the number of your other dependents on line 11.

### Line 12 – Dependents Attending College

You can claim an additional exemption for each dependent student if all the requirements below are met. You **cannot** claim this exemption for yourself, your spouse, or your domestic partner.

- Student must be claimed as a dependent on line 10 or 11.
- Student must be under age 22 on the last day of the tax year (born 2000 or later).
- Student must attend full-time. Full-time is determined by the school.
- Student must spend at least some part of each of five calendar months of the tax year at school.
- The educational institution must be an accredited college or post-secondary school, maintain a regular faculty and curriculum, and have a body of students in attendance.
- You must have paid one-half or more of the tuition and maintenance costs for the student. Financial aid received by the student is not calculated into your cost when totaling one-half of your

dependent's tuition and maintenance. However, the money earned by students in college work study programs is income and is taken into account.

Enter the number of exemptions for your qualified dependents attending colleges on line 12.

### Line 13a–13c – Totals

Add lines 6, 7, 8, and 12 and enter the total on line 13a.

Add lines 10 and 11 and enter that total on line 13b.

Enter the amount from line 9 on line 13c.

### Line 14 – Dependent Information

Enter the full name, Social Security number, and birth year for each dependent child or other dependent you claimed on line 10 or 11.

Enter the same Social Security number, individual taxpayer identification number (ITIN), or adoption taxpayer identification number (ATIN) for each dependent that you entered on your federal return. If you do not provide a valid Social Security number, ITIN, or ATIN for a dependent, the exemption will be denied.

If you have more than four dependents, enter the information for your first four dependents on the lines provided. Enclose a statement listing the information for your additional dependents.

### Gubernatorial Elections Fund

If you would like to designate \$1 to help candidates for Governor pay campaign expenses, check the "Yes" box. If you are filing a joint return, your spouse can also designate \$1 to this fund. Checking the "Yes" box will not reduce your refund or increase the amount you owe.

For more information on the Gubernatorial Public Financing Program, contact the New Jersey Election Law Enforcement Commission at 1-888-313-ELEC (toll-free within New Jersey) or 609-292-8700 or [online](#).

### Driver's License Number

Enter your Driver's License or state Non-Driver Identification Card number including the two-letter abbreviation of the issuing state. Providing this information is voluntary. We may use this information to validate your identity in our effort to combat identity theft and fraudulent filing.

### Income Lines 15–27

Gross income means **all** income you received in the form of money, goods, property, and services unless specifically exempt by law.

In column A, you must report income from everywhere, whether from inside or outside New Jersey (worldwide), that would be taxable if you were a New Jersey resident. If you are filing a joint return, report the income of both spouses in column A, even if only one had income from New Jersey.

In column B, enter your income from New Jersey sources. For every entry in column A, there must be an entry on that line in column B. If none of your income is from New Jersey sources, enter "0" in column B. Your final tax liability is based on the percentage of your income that is from New Jersey sources.

Report all income on the proper lines. For example, do not enter pension income on the wage line.

**Accounting Method.** Use the same accounting method for New Jersey Income Tax that you used for federal income tax purposes. Income must be recognized and reported in the same period as it is recognized and reported for federal purposes.

**Reporting Losses.** If you have a net loss in any category of income, remember the following:

- You cannot report a loss on your NJ-1040NR (e.g., in parentheses or as a negative number);
- You can net losses with gains in the same category of income. For example, you can subtract gambling losses from gambling winnings during the tax year;
- You cannot apply a net loss in one category of income against income or gains in a different category on your NJ-1040NR. For example, you cannot subtract gambling losses from your wages;
- If you have a net loss in any income category, make no entry on that line of your NJ-1040NR. Do not enter zero. Do not enter the amount of the loss in parentheses or as a negative number;
- No carryback or carryover of losses is allowed when reporting income on your NJ-1040NR.

### Examples of Taxable Income

New Jersey taxable income includes:

- Wages and other compensation;
- Interest and dividends (including interest paid on income tax refunds);
- Earnings on nonqualified distributions from (1) qualified state tuition program accounts, including the New Jersey Better Educational Savings Trust program (NJBEST) accounts, or (2) qualified state

529A Achieving a Better Life Experience program (ABLE) accounts;

- Net profits from business, trade, or profession;
- Net gains or income from sale or disposition of property;
- Pensions, annuities, and IRA withdrawals;
- Net distributive share of partnership income;
- Net pro rata share of S corporation income;
- Net rental, royalty, and copyright income;
- Net gambling winnings, including New Jersey Lottery winnings from prize amounts over \$10,000;
- Alimony;
- Estate and trust income;
- Income in respect of a decedent;
- Prizes and awards, including scholarships and fellowships (unless they satisfy the conditions on page 18);
- Value of residence provided by employer;
- Fees for services rendered, including jury duty.

New Jersey taxable income also includes the following that are not subject to federal income tax:

- Interest from obligations of states and their political subdivisions, other than New Jersey and its political subdivisions;
- Income earned by a resident from foreign employment;
- Certain contributions to pensions and tax-deferred annuities;
- Employee contributions to federal Thrift Savings Funds, 403(b), 457, SEP, or any other type of retirement plan other than 401(k) Plans.

### Examples of Exempt (Nonreportable) Income

Do not include the following income when determining if you must file a return. These items should not appear anywhere on your nonresident return.

- Middle-Class Tax Rebates
- Paycheck Protection Program (PPP) loan amounts forgiven through the federal CARES Act or federal Paycheck Protection Program
- Economic Impact Payments (stimulus payments)
- Federal Social Security
- Railroad Retirement (Tier 1 and Tier 2)
- United States military pensions and survivor's benefit payments
- Life insurance proceeds received because of a person's death
- Employee's death benefits
- Permanent and total disability, including VA benefits
- Temporary disability received from the State of New Jersey or as third-party sick pay

- Workers' Compensation
- Gifts and inheritances
- Qualifying scholarships or fellowship grants
- New Jersey Lottery winnings from prizes in the amount of \$10,000 or less
- Unemployment Compensation received from the state (but not supplemental unemployment benefit payments)
- Family Leave Insurance (FLI) benefits
- Interest and capital gains from (1) obligations of the State of New Jersey or any of its political subdivisions; or (2) direct federal obligations exempt under law, such as U.S. Savings Bonds and Treasury Bills, Notes, and Bonds
- Distributions paid by mutual funds to the extent the distributions are attributable to interest earned on federal obligations
- Certain distributions from New Jersey qualified investment funds
- Earnings on qualified distributions from (1) qualified state tuition program accounts, including the New Jersey Better Educational Savings Trust program (NJBEST) accounts, or (2) qualified state 529A Achieving a Better Life Experience program (ABLE) accounts
- Employer and employee contributions to 401(k) Plans up to the federal limit (but not federal Thrift Savings Funds)
- Some benefits received from certain employer-provided cafeteria plans (but not salary reduction or premium conversion plans). See Technical Bulletin [TB-39](#).
- Benefits received from certain employer-provided commuter transportation benefit plans (but not salary reduction plans). See Technical Bulletin [TB-24\(R\)](#).
- Contributions to and distributions from Archer MSAs if they are excluded for federal income tax purposes
- Direct payments and benefits received under homeless persons assistance programs
- Income Tax refunds (New Jersey, federal, and other jurisdictions) but not interest paid on the refunds
- Welfare
- Child support
- Amounts paid as reparations or restitution to Nazi Holocaust victims
- Assistance from a charitable organization, whether in the form of cash or property
- Cancellation of debt
- Amounts received as damages for wrongful imprisonment

- Qualified disaster relief payments excluded under IRC §139
- Payments from the September 11th Victim Compensation Fund

1. The meals and/or lodging were provided on the business premises of your employer; and
2. The meals and/or lodging were provided for the convenience of your employer; and

*For lodging only:*

3. You were required to accept the lodging as a condition of your employment.

**Line 15 – Wages, Salaries, Tips, etc.**

**COLUMN A**

Enter the total of State wages, salaries, tips, bonuses, commissions, etc. from **all** employment both inside and outside New Jersey. Take the amount from box 16 of your W-2 (see sample below). Include all payments whether in cash, benefits, or property.

If you exclude the value of meals and/or lodging from your wages, you **must** enclose a signed statement explaining how you met these conditions. If you do not enclose the statement, your wages will be changed back to the full amount shown on your W-2.

If you were employed outside New Jersey, you may need to adjust your wages to reflect New Jersey tax law. For example, if you had a Section 125 cafeteria plan that is taxable for New Jersey purposes but is not included in box 16 of your W-2, you must add that amount back into your State wages.

New Jersey State Police officers **cannot** exclude food and maintenance payments received as part of their union contract. These payments do not meet the criteria above.

Nonresident servicepersons, see page 31.

**Employee Business Expenses.** Employee business expenses are **not** deductible for New Jersey tax purposes. However, you can exclude reimbursements for employee business expenses reported as wages on your W-2 if:

**Retirement Plans.** Under New Jersey law, contributions to retirement plans (other than 401(k) Plans) are included in State wages on the W-2 in the year the wages are earned. This may cause your State wages (box 16) to be higher than your federal wages (box 1).

1. The reimbursements are for job-related expenses;
2. You are required to and do account for these expenses to your employer; and
3. You are reimbursed by your employer in the exact amount of the allowable expenses.

**Meals and/or Lodging.** You can exclude meals and/or lodging reported as wages on your W-2 if:

If you received excludable reimbursements for employee business expenses that were included in wages on your

**Sample W-2 (This form is for illustration only and is not reproducible.)**

22222		Void <input type="checkbox"/>	a Employee's social security number		For Official Use Only ▶ OMB No. 1545-0008	
b Employer identification number (EIN)			1 Wages, tips, other compensation		2 Federal income tax withheld	
c Employer's name, address, and ZIP code			3 Social security wages		4 Social security tax withheld	
d Control Number			5 Medical insurance and tips		6 Medicare tax withheld	
			7 Social security tips		8 Allocated tips	
e Employee's name and address (Last name, first name, middle initial, street address, city, state, ZIP code)			9 Other compensation		10 Dependent care benefits	
f Employee's address and ZIP code			11 Non-qualified plans		12a See instructions for box 12	
			13 State employee Retirement plan Third-party sick pay		12b	
15 State Employer's state ID number			14 Other		12c	
			UI/WF/SWF - \$153.85 DI - \$649.54 DI P.P. #(Private Plan No.)		12d	
15 State NJ	Employer's state ID number 234-567-890/000	16 State wages, tips, etc. 142,900.00	17 State income tax 6977.00	18 Local wages, tips, etc.	19 Local income tax	20 Locality name
FLI P.P. #		(Private Plan No.)	386.96 - FLI			
Form <b>W-2</b> Wage and Tax Statement			<b>2021</b>		Department of the Treasury—Internal Revenue Service For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.	



W-2, enclose a statement explaining the amount you are excluding and your reasons. Also, enclose a copy of your federal Form 2106.

**Federal Statutory Employees.** If you are considered a “statutory employee” for federal tax purposes, you cannot deduct your business expenses unless you are self-employed or an independent contractor under New Jersey law. The federal label of “statutory employee” has no meaning for New Jersey tax purposes. Business expenses can only be deducted from the business income of a self-employed individual. See the instructions for Schedule NJ-BUS-1, Part I (Net Profits From Business) on page 15.

**Moving Expenses.** Moving expenses are **not** deductible for New Jersey Income Tax purposes.

You can, however, exclude reimbursements for the following moving expenses if you met the federal requirements to claim moving expenses that were in effect on December 31, 2017, **and** the expenses were included in wages on your W-2:

1. The cost of moving your household goods and personal effects from the old home to the new home.
2. The actual expenses you incurred for traveling, meals, and lodging when moving yourself and your family from your old home to your new home.

Reimbursements for any other moving expense cannot be excluded from income.

If you received excludable reimbursements for moving expenses that were included in wages on your W-2, enclose a statement explaining the amount you are excluding and your reasons.

**Compensation for Injuries or Sickness.** Certain amounts received for personal injuries or sickness are not subject to tax. You can exclude such amounts included as wages on your W-2 if:

1. The payments were compensation for wage loss that resulted from absence due to your injury or sickness; and
2. The payments were due and payable under an enforceable contractual obligation under the plan; and
3. The payments were not related to sick leave wage continuation, which is largely discretionary and payments are made regardless of the reason for absence from work.

If such payments are included in wages on your W-2, enclose Form NJ-2440.

**Enclose document** You must enclose all W-2s with your tax return. Do not attach them to your return.

## COLUMN B

Enter the portion of your wages, salaries, etc., that comes from New Jersey sources. If zero, enter “0.”

Pennsylvania residents, see page 32. Nonresident servicepersons and nonmilitary spouses of military personnel, see page 31.

If you had wage/salary income earned partly inside and partly outside New Jersey, and you cannot easily determine the amount of income from New Jersey, see Part II on page 29.

## TAX TIP

Check the box at line 15 if you complete lines 68-74 (Part II, Allocation of Wage and Salary Income Earned Partly Inside and Outside New Jersey).

Do not use Part II if your wage/salary income is based on volume (the amount of sales or amount of business transacted). Instead, use the following formula:

$$\frac{\text{NJ Vol.}}{\text{Total Vol.}} \times \text{Vol. Income} = \text{line 15, col. B}$$

The location where the services or sales were actually performed is the deciding factor when determining where the business was transacted. Enclose an explanation of how you calculated the amount of wage/salary income.

**Part-Year Nonresidents.** Enter in column A the portion of your wages earned while you were a nonresident. Include wages from sources both inside and outside New Jersey.

**Column B.** Enter in column B the portion of your wages from New Jersey sources earned while you were a nonresident (unless you were a Pennsylvania resident).

## Line 16 – Taxable Interest Income

### COLUMN A

Enter all of your reportable interest from sources both inside and outside New Jersey.

Common sources of reportable interest:

- Banks;
- Savings and loan associations;
- Credit unions;
- Savings accounts;
- Checking accounts;
- Bonds and notes;
- Certificate of deposit;
- Life insurance dividends;
- Earnings on nonqualified distributions from qualified state tuition program accounts including NJBEST

(New Jersey Better Educational Savings Trust program) accounts;

- Earnings on nonqualified distributions from qualified state 529A ABLE (Achieving a Better Life Experience) accounts;
- Distributions from Coverdell education savings accounts (ESAs), but only the earnings portion;
- Ginnie Maes, Fannie Maes, Freddie Macs;
- Repurchase agreements;
- Obligations of states and their political subdivisions, other than New Jersey;
- Grantor trusts;
- Any other interest not specifically exempt.

Do not include on this line:

- Interest that was earned and paid to a sole proprietorship, a partnership, or an S corporation. Report on Schedule NJ-BUS-1. **Note:** If you received a Form 1099 from a partnership or an S corporation for interest paid or deemed to have been paid to you, you must include that interest on line 16, column A;
- Interest that was earned and paid to an estate or trust (other than a grantor trust). Report on line 26.

**Forfeiture Penalty for Early Withdrawal.** If you incur a penalty by withdrawing a time deposit early, you can subtract the amount of the penalty from your interest income.

**Enclose document** If line 16, column A is more than \$1,500, enclose a copy of Schedule B, federal Form 1040.

**Tax-Exempt Interest Income.** Do not report tax-exempt interest on line 16. For more information on tax-exempt interest income and New Jersey qualified investment funds, see [GIT-5](#), *Nontaxable Investment Income*.

**Part-Year Nonresidents.** Include only the interest you received while you were a nonresident of New Jersey.

#### COLUMN B

**Do not report interest from personal accounts.** Only report on line 16, column B interest received as a result of a business or profession carried on in New Jersey and not reportable as net profits from business, distributive share of partnership income, net income from estates or trusts, or net pro rata share of S corporation income. (See instructions for line 16, column A.)

## Line 17 – Dividends

#### COLUMN A

Enter the dividends you received from investments (e.g., from stocks, mutual funds) or other income-producing activities that do not constitute a trade or business. The total taxable dividends received, regardless of where earned, must be included.

Taxpayers, including partners in a partnership and shareholders of an S corporation, report global intangible low-taxed income (GILTI) as dividend income when the income is actually distributed from earnings and profits. For more information, see [IRC §951A: Reporting and Payment/Pass-through Entities](#).

**Do not include** on this line:

- Dividends that were earned and paid to a sole proprietorship, a partnership, or an S corporation. Report on Schedule NJ-BUS-1. For more information on reporting partnership or S corporation income, see [GIT-9P](#), *Partnership Income*, or [GIT-9S](#), *Income From S Corporations*;
- Dividends that were earned and paid to an estate or trust (other than a grantor trust). Report on line 26.

**Capital Gains Distributions.** Do not report capital gains distributions you received from mutual funds or other regulated investment companies on this line. Report this income on Part I, line 65.

**Tax-Free Distributions.** A distribution that is a return of your investment or capital and does not come from earnings or profits is a nontaxable capital or tax-free distribution. These distributions reduce the basis of the stock or investment and are not taxable until your investment is fully recovered.

**Insurance Premiums.** Dividends you received from insurance companies are not reportable unless the amount you received is more than the premiums paid. Any interest from accumulated insurance dividends is reportable, and you must include it on line 16, column A.

**Part-Year Nonresidents.** Include only the dividends you received while you were a nonresident of New Jersey.

#### COLUMN B

**Do not report dividends from personally held securities.** Only report on line 17, column B dividends received as a result of a business or profession carried on in New Jersey and not reportable as net profits from business, distributive share of partnership income, net income from estates or trusts, or net pro rata share of

S corporation income. (See instructions for line 17, column A.)

## Line 18 – Net Profits From Business

### COLUMN A

Complete Part I of Schedule NJ-BUS-1 and enter on line 18, column A, the amount from line 4 of Part I. If the amount on line 4 is a loss, enter “0” on line 18, column A. See instructions on page 15.

**Enclose document** Enclose Schedule NJ-BUS-1 and a copy of the federal Schedule C (or C-EZ or F) for each business with your return.

### COLUMN B

Enter the portion of your business income that comes from New Jersey sources. If zero, enter “0.” If you carry on business both inside and outside New Jersey, you must complete and enclose Form [NJ-NR-A](#) for each business.

Do not include in column B net profits (or losses) that you received from a business entity located in New Jersey if the business entity’s only activity is the purchase, holding, or sale of intangible personal property (e.g., securities, commodities) that is not held for sale to customers. You must include those net profits in column A.

## Line 19 – Net Gains or Income From Disposition of Property

### COLUMN A

Complete Part I and enter the amount from line 67. If the amount on line 67 is zero, enter “0” on line 19.

#### Do not include in Part I:

- Gains/losses from the disposition of property owned by a sole proprietorship, a partnership, or an S corporation. Report on Schedule NJ-BUS-1;
- Gains/losses from the disposition of property owned by an estate or trust (other than a grantor trust). Report on line 26.

### COLUMN B

Enter your net gains or income from New Jersey sources. If zero, enter “0.”

## Line 20 – Net Gains or Income From Rents, Royalties, Patents, and Copyrights

### COLUMN A

Complete Part II of Schedule NJ-BUS-1 and enter on line 20 the amount from line 4 of Part II. If the net amount is a loss, enter “0” on line 20, column A. See instructions on page 16.

**Enclose document** Enclose Schedule NJ-BUS-1 with your return.

### COLUMN B

Enter your net gains or income from New Jersey sources. If zero, enter “0.”

## Line 21 – Net Gambling Winnings

### COLUMN A

Enter your net gambling winnings from both inside and outside New Jersey. You can subtract gambling or lottery losses from your winnings that occur in the same year. If the net amount is zero or less, enter “0.” If you net gambling winnings with gambling losses, include a statement to that effect.

Common types of gambling winnings include:

- All casino and track betting;
- New Jersey Lottery winnings (only individual prizes exceeding \$10,000);
- Any multistate lottery in which New Jersey participates (Mega Millions, Powerball), but only individual prizes exceeding \$10,000;
- All out-of-State lottery winnings regardless of amount;
- Bingo winnings.

If you net gambling winnings with gambling losses, you may be required to substantiate the losses used to offset your winnings. Acceptable proof of losses includes:

- Casino win/loss statements;
- Daily log or journal of wins and losses;
- Canceled checks;
- Losing racetrack pari-mutuel tickets;
- Losing lottery tickets.

For more information, see Technical Bulletin [TB-20\(R\)](#).

**Part-Year Nonresidents.** Include only amounts you received while you were a nonresident of New Jersey.

### COLUMN B

Enter your net gambling winnings from New Jersey sources. Gambling losses from sources outside New Jersey cannot be used to offset gambling winnings from New Jersey sources. If zero, enter “0.”

## Line 22 – Taxable Pensions, Annuities, and IRA Distributions/Withdrawals

### COLUMN A

Retirement income such as pensions, annuities, and certain IRA withdrawals is reportable on your New Jersey

return. The New Jersey reportable amount may be different from the federal taxable amount. Enter the reportable amount on line 22, column A.

Common types of taxable retirement income:

- Pensions from the private sector;
- Federal, state, and local government, and teachers' pensions;
- Keogh Plan distributions;
- 401(k) Plan distributions;
- Early retirement benefits;
- Amounts reported as pension on Schedule NJK-1, Partnership Return Form NJ-1065;
- Civil Service pensions and annuities, even if based on credit for military service. These are received from the U.S. Office of Personnel Management.

Common types of nonreportable retirement income (do not report on this return):

- Social Security benefits;
- Railroad Retirement benefits;
- Public or private disability pension benefits until the year you turn 65. Beginning with the year you turn 65, the benefits are treated as ordinary pension income;

- U.S. Military pensions and survivor's benefit payments (Most are received from the U.S. Department of Finance and Accounting Service.)

**Part-Year Nonresidents.** Include only the reportable amounts you received while you were a nonresident of New Jersey.

**Types of Retirement Plans**

Retirement plans are either noncontributory or contributory.

**Noncontributory.** You made no contributions to your plan. Amounts you receive from these plans are fully reportable. Enter the amount from your 1099-R on line 22, column A.

**Contributory (Other Than IRAs).** You made contributions to your plan. Contributions are usually made through payroll deductions and, in general, are taxed when they are made. Contributions made to a retirement plan (other than a 401(k) Plan) outside New Jersey are considered to have been previously taxed. These plans also may include employer contributions and earnings, which have not been taxed.

Since you have already been taxed on your contributions, you must determine the portion of your distribution

<b>Worksheet A</b>	
<b>Which Pension Method to Use</b>	
1. Amount of pension you will receive during the first three years (36 months) from the date of the first payment .....	1. _____
2. Your contributions to the plan .....	2. _____
3. Subtract line 2 from line 1 .....	3. _____
(a) If line 3 is "0" or more, <i>and</i> both you and your employer contributed to the plan, you can use the <b>Three-Year Rule Method</b> . (b) If line 3 is less than "0," or your employer did not contribute to the plan, you must use the <b>General Rule Method</b> .	
<b>(Keep for your records)</b>	

<b>Worksheet B</b>	
<b>General Rule Method</b>	
1. Your previously taxed contributions to the plan .....	1. _____
2. Expected return on contract* .....	2. _____
3. Percentage excludable (Divide line 1 by line 2) .....	3. _____ %
4. Amount received this year .....	4. _____
5. Amount excludable (Multiply line 4 by line 3).....	5. _____
6. Reportable amount (Subtract line 5 from line 4. Enter here and on line 22, column A, Form NJ-1040NR .....	6. _____
*The expected return on the contract is the amount receivable. If life expectancy is a factor under your plan, you must use federal actuarial tables to calculate the expected return. The federal actuarial tables are contained in the Internal Revenue Service's Publication 939, <i>General Rule for Pensions and Annuities</i> . Contact the IRS for this publication. If life expectancy is not a factor under your plan, the expected return is found by totaling the amounts to be received.	
<b>(Keep for your records)</b>	

**Worksheet C**  
**IRA Withdrawals**

**Part I – Calculating Taxable Amounts**

1. **Value of IRA on 12/31/21.**  
Include contributions made for the tax year from 1/1/22 – 4/15/22..... 1. \_\_\_\_\_
  2. **Total distributions from IRA during the tax year.** Do not include tax-free rollovers... 2. \_\_\_\_\_
  3. **Total Value of IRA.** Add lines 1 and 2.....3. \_\_\_\_\_
- Unrecovered Contributions:**  
Complete **either** line 4a or 4b. Then continue with line 5.
- 4a. **First year of withdrawal from IRA:**  
Enter the total of IRA contributions that were previously taxed. .... 4a. \_\_\_\_\_
  - 4b. **After first year of withdrawal from IRA:**  
Complete Part II. Enter amount of unrecovered contributions from line 14. .... 4b. \_\_\_\_\_
  5. **Accumulated earnings in IRA on 12/31/21.**  
Subtract either line 4a or 4b from line 3. .... 5. \_\_\_\_\_
  6. Divide line 5 by line 3. (Enter the result as a decimal.)..... 6. \_\_\_\_\_
  7. **Taxable portion of this year’s withdrawal.** Multiply line 2 by decimal amount on line 6. Enter here and on line 22, column A, Form NJ-1040NR. .... 7. \_\_\_\_\_

**Part II – Unrecovered Contributions (For Second and Later Years)**

See Part III if you **did not** complete Worksheet C in prior years.

8. **Last year’s unrecovered contributions.** From line 4 of last year’s Worksheet C ..... 8. \_\_\_\_\_
9. **Amount withdrawn last year.** From line 2 of last year’s Worksheet C ..... 9. \_\_\_\_\_
10. **Taxable portion of last year’s withdrawal.** From line 7 of last year’s Worksheet C.... 10. \_\_\_\_\_
11. **Contributions recovered last year.** Subtract line 10 from line 9..... 11. \_\_\_\_\_
12. **This year’s unrecovered contributions.** Subtract line 11 from line 8..... 12. \_\_\_\_\_
13. **Contributions to IRA during current tax year.** Do not include tax-free rollovers..... 13. \_\_\_\_\_
14. **Total unrecovered contributions.** Add lines 12 and 13. Enter here and **on line 4b**... 14. \_\_\_\_\_

**Part III – Unrecovered Contributions (For Second and Later Years)**

Complete this section **only** if you **did not** complete Worksheet C in prior years.

Calculate the amount of unrecovered contributions as follows: ..... \_\_\_\_\_

15. Total amount of withdrawals made from the IRA in previous years. .... 15. \_\_\_\_\_
16. Total of previous year withdrawal(s) already reported as income on prior New Jersey tax returns. .... 16. \_\_\_\_\_
17. Contributions already recovered. Subtract line 16 from line 15..... 17. \_\_\_\_\_
18. Unrecovered contributions. Subtract line 17 from the total amount of contributions made to the IRA. Enter here and on line 4b. .... 18. \_\_\_\_\_

**(Keep for your records)**

that is reportable. There are two methods of calculating the reportable amount: Three-Year Rule Method and General Rule Method. To determine which method to use, complete Worksheet A on page 12 the year you begin receiving pension and annuity payments.

**Note:** If you received a distribution from a 401(k) Plan, do not complete Worksheet A. See the section on 401(k) Plans below. If you made a withdrawal from an IRA, do not complete Worksheet A or B. Instead, complete Worksheet C. See the section on IRAs below.

**Three-Year Rule Method.** Use this method if you will recover all your contributions within 36 months from the date you receive your first payment from the plan, and both you and your employer contributed to the plan.

Do not report pension and annuity payments as income on line 22 until you have recovered all of your contributions. Once you have recovered your contributions, the payments you receive are fully reportable and must be entered on line 22, column A.

**General Rule Method.** You must use this method if you will not recover your contributions within 36 months from the date you receive your first payment from the plan or if your employer did not contribute to the plan. Part of your pension is excludable and part is reportable every year. The excludable amount represents your contributions. Complete Worksheet B in the year you receive your first payment from the plan and keep it for your records. You will need it for calculations in future years. Recalculate the percentage on line 3 of Worksheet B only if your annual pension payments decrease.

### Lump-Sum Distributions and Rollovers

When you receive a lump-sum distribution of the entire balance from a qualified employee pension, annuity, profit-sharing, or other plan, any amount that exceeds your previously taxed contributions must be included in your income in the year received. New Jersey has no provision for income averaging of lump-sum distributions. Enter the reportable amount on line 22, column A.

If you roll over a lump-sum distribution from an IRA or a qualified employee pension or annuity plan into an IRA or other eligible plan, do not report the rollover on line 22 if it qualifies for deferral for federal tax purposes. The amount rolled over (minus previously taxed contributions) will be reportable when it is withdrawn.

### 401(k) Plans

1. Contributions made on or after January 1, 1984, were not taxed when they were made. If all of your contributions were made on or after that date, your distributions are fully reportable unless your contributions exceeded the federal limit. If your contributions

exceeded the federal limit, you must calculate the reportable portion of your distributions using one of the methods described under contributory plans.

2. Contributions made before January 1, 1984, were taxed when they were made. If you made contributions before that date, you must calculate the reportable portion of your distributions using one of the methods described under contributory plans.

For more information on pension and annuity income, see [GIT-1 & 2](#), *Retirement Income*.

### IRAs

Your IRA consists of contributions, earnings, and certain amounts rolled over from pension plans. In general, your contributions were taxed when they were made and are not reportable to New Jersey when you make a withdrawal. All the earnings and any amounts rolled over tax-free are reportable when withdrawn.

Use Worksheet C to calculate the reportable portion of your IRA withdrawal. If you made withdrawals from multiple IRAs, you can use a separate worksheet for each or combine all IRAs on one worksheet.

**Lump-Sum Withdrawal.** If you withdraw the total amount from an IRA, all the earnings and any amounts rolled over tax-free are reportable. You must report these amounts in the year you make the withdrawal.

**Periodic Withdrawals.** If you make withdrawals over a period of years, the part of the annual distribution that represents earnings is reportable. The amount reportable for New Jersey purposes may be different from the amount you report on your federal return.

For more information on IRA withdrawals, see [GIT-1 & 2](#), *Retirement Income*.

### Roth IRAs

Your contributions to a Roth IRA are reportable as part of your income when they are made. Distributions from a Roth IRA that meet the requirements of a qualified distribution are excludable. Do not include qualified distributions on Form NJ-1040NR. If you received a nonqualified distribution, you must report the earnings on line 22, column A. A distribution that is considered nonqualified for federal purposes is also considered nonqualified for New Jersey purposes.

If you converted an existing IRA to a rollover Roth IRA during Tax Year 2021, any amount from the existing IRA that would be reportable if withdrawn must be included on line 22, column A.

For more information on Roth IRAs, see Technical Bulletin [TB-44](#).

**COLUMN B**

You will not enter an amount on line 22, column B because pension, annuity, and IRA withdrawal income is not taxable to nonresidents.

## Line 23 – Distributive Share of Partnership Income

**COLUMN A**

Complete Part III of Schedule NJ-BUS-1 and enter on line 23, column A, the amount from line 4 of Part III. If the amount on line 4 is a loss, enter "0" on line 23, column A. See instructions on page 17.

### Enclose document

Enclose Schedule NJ-BUS-1 and a copy of Schedule NJK-1, Form NJ-1065, for each partnership with your return. If you did not receive a Schedule NJK-1, enclose a copy of the federal Schedule K-1.

**COLUMN B**

Enter the portion of the partnership income that comes from New Jersey sources. If zero, enter "0."

Do not include in column B distributive share of partnership income that you received from a partnership, LLP,

or LLC located in New Jersey if the business entity's only activity is the purchase, holding, or sale of intangible personal property, such as commodities or securities, and such intangible personal property is not held for sale to customers. You must include such partnership income in column A.

## Line 24 – Net Pro Rata Share of S Corporation Income

**COLUMN A**

Complete Part IV of Schedule NJ-BUS-1 and enter on line 24, column A, the amount from line 4 of Part IV. If the amount on line 4 is a loss, enter "0" on line 24, column A. See instructions on page 17.

### Enclose document

Enclose Schedule NJ-BUS-1 and a copy of Schedule NJ-K-1, Form CBT-100S, for each S corporation with your return. If you did not receive a Schedule NJ-K-1, enclose a copy of the federal Schedule K-1.

**COLUMN B**

Enter the portion of the net pro rata share of S corporation income that comes from New Jersey sources. If zero, enter "0."

# Schedule NJ-BUS-1 Business Income Summary Schedule

## Part I – Net Profits From Business

Report the net profits or loss from your business, trade, or profession.

Make the following adjustments to your federal Schedule C (or C-EZ or F):

1. Add any amount you deducted for taxes based on income.
2. Subtract interest you reported on federal Schedule C (or C-EZ or F) that is exempt for New Jersey purposes but taxable for federal purposes.
3. Add interest not reported on federal Schedule C (or C-EZ or F) from states or political subdivisions outside New Jersey that is exempt for federal purposes.
4. Deduct meal and entertainment expenses that constitute ordinary expenses incurred in the conduct of a trade or business but that were not allowed on the federal return.
5. Deduct your qualified contributions to a self-employed 401(k) Plan. Contributions that exceeded the federal limits are not deductible for New Jersey purposes.
6. Add interest and dividends derived in the conduct of a trade or business.
7. Add or subtract income or losses derived in the conduct of a trade or business from rentals, royalties, patents, or copyrights.
8. Add or subtract gains or losses from the sale, exchange, or other disposition of the trade or business's property.
9. Add or subtract the net adjustment from the Gross Income Tax Depreciation Adjustment Worksheet GIT-DEP, Part I, line 7.

If you are a sole proprietor who provides primary care services in a qualified medical or dental practice you own that is located in or within five miles of a designated Health Enterprise Zone (HEZ), you may be able to deduct a percentage of the net income from that practice on line 34. See Technical Bulletin [TB-56](#) for eligibility requirements and instructions for calculating the HEZ deduction.

### Lines 1–3

For each business, enter the following information. If you need more space, enclose a statement with the return listing any additional businesses and the related profit or loss.

- Business name as listed on Schedule C, C-EZ, or F
- Social Security number or federal employer identification number (EIN)
- Profit or (loss) as adjusted for New Jersey purposes

### Line 4

Add the amounts in the Profit or (Loss) column and enter the total on line 4, netting profits with losses. Enter this amount on line 18, column A. **If the netted amount is a loss, make no entry on line 18, column A.** On line 18, column B, enter the portion of this amount that is from New Jersey sources.

**Part-Year Nonresidents.** Include only the amounts you received while you were a nonresident of New Jersey.

## Part II – Net Gains or Income From Rents, Royalties, Patents, and Copyrights

Report your net gains or income less net losses from rents, royalties, patents, and copyrights.

**Depreciation and Expense Deduction.** New Jersey and federal depreciation and expense deduction limits are different. You may need to make adjustments to your federal basis for assets placed in service on or after January 1, 2004. Complete the Gross Income Tax Depreciation Adjustment Worksheet GIT-DEP to calculate the adjustment.

**Passive Losses.** There is no distinction between active and passive losses for New Jersey purposes. You cannot carry back or carry forward such losses when reporting income on Form NJ-1040NR. You can deduct federal passive losses in full in the year incurred against any gain within the same category of income.

### Do not include in Part II:

- Gains/losses from rents, royalties, patents, and copyrights from property owned by a sole proprietorship, a partnership, or an S corporation. Report in Parts I, III, and/or IV of Schedule NJ-BUS-1;
- Gains/losses from rents, royalties, patents, and copyrights from property owned by an estate or trust (other than a grantor trust). Report on line 26.

### Lines 1–3

For each source of income or loss, enter the following information. If you need more space, enclose a statement with the return listing any additional property and income or loss.

- Property name or description. For rental real estate, enter the physical address of the property
- Social Security number or federal employer identification number (EIN)
- Type of property. Enter the following number that corresponds with the type of property:
  1. Rental real estate
  2. Royalties
  3. Patents
  4. Copyrights
- Gain or (loss) from each type of property

### Line 4

Add the amounts in the Income or (Loss) column and enter the total on line 4, netting gains with losses. Enter this amount on line 20, column A, Form NJ-1040NR. If the netted amount is a loss, enter "0" on line 20, column A. On line 20, column B, enter the portion of this amount that is from New Jersey sources.

**Part-Year Nonresidents.** Include only the amounts you received while you were a nonresident of New Jersey.



## Part III – Distributive Share of Partnership Income

Report your share of income or loss from partnership(s), whether or not the income was actually distributed.

### Lines 1–3

For each partnership, enter the following information. If you need more space, enclose a statement with the return listing any additional partnerships and the related income or loss.

- Partnership name as listed on the Schedule NJK-1 (or federal Schedule K-1)
- Federal employer identification number (EIN)
- Your share of partnership income or (loss) as reported on the Schedule NJK-1 (column A of the line labeled Distributive Share of Partnership Income). If you did not receive an NJK-1, you must enclose a copy of the federal Schedule K-1 and complete Reconciliation Worksheet A in [GIT-9P, Partnership Income](#)
- Total amount of New Jersey Income Tax paid on your behalf by partnership(s) as reported on Schedule NJK-1, line 1, Part III, nonresident partner's share of New Jersey tax
- Your share of Pass-Through Business Alternative Income Tax as reported on Schedule PTE-K-1 received from the partnership

### Line 4

Add the amounts in the Share of Partnership Income or (Loss) column and enter the total on line 4, netting income with losses. Enter this amount on line 23, column A, Form NJ-1040NR. If the netted amount is a loss, enter "0" on line 23, column A. On line 23, column B, enter the portion of this amount that is from New Jersey sources.

### Line 5

Add the amounts in the Share of tax paid on your behalf by Partnerships column and enter the total. Include this amount on line 51, Form NJ-1040NR. See the instructions for line 51.

### Line 6

Add the amounts in the Share of Pass-Through Business Alternative Income Tax column and enter the total. Include this amount on line 55, Form NJ-1040NR.

For more information, see [GIT-9P, Partnership Income](#).

**Part-Year Nonresidents.** Prorate your distributive share of partnership income based on the number of days in the partnership's fiscal year that you were a nonresident of New Jersey.

## Part IV – Net Pro Rata Share of S Corporation Income

Report the amount of your net pro rata share of S corporation income or loss, whether or not the income was actually distributed. Do not include global intangible low-taxed income (GILTI) on Schedule NJ-BUS-1. Report GILTI as dividends on line 17.

### Lines 1–3

For each S corporation, enter the following information. If you need more space, enclose a statement with the return listing any additional S corporations and the related income or loss.

- S corporation name as listed on Schedule NJ-K-1 (or federal Schedule K-1)
- Federal employer identification number (EIN)
- Your pro rata share of S corporation income or (usable loss) as reported on the Schedule NJ-K-1. If you did not receive an NJ-K-1, you must enclose a copy of the federal Schedule K-1 and complete Reconciliation Worksheet B in [GIT-9S, Income From S Corporations](#).
- Your share of Pass-Through Business Alternative Income Tax as reported on Schedule PTE-K-1 received from the S corporation.

**Line 4**

Add the amounts in the Pro Rata Share of S Corporation Income or (Usable Loss) column and enter the total on line 4, netting income with losses. Enter this amount on line 24, column A, Form NJ-1040NR. If the netted amount is a loss, enter "0" on line 24, column A. On line 24, column B, enter the portion of this amount that is from New Jersey sources

**Line 5**

Add the amounts in the Share of Pass-Through Business Alternative Income Tax column and enter the total. Include this amount on line 55, Form NJ-1040NR.

For more information, see [GIT-9S](#), *Income From S Corporations*.

**Part-Year Nonresidents.** Prorate the pro rata share of S corporation income based on the number of days in the entity's fiscal year that you were a nonresident of New Jersey.

**Line 25 – Alimony and Separate Maintenance Payments Received****COLUMN A**

Enter any court-ordered alimony or separate maintenance payments you received. Do not include payments received for child support.

**Part-Year Nonresidents.** Include only those payments you received while you were a nonresident of New Jersey.

**COLUMN B**

You will not enter an amount on line 25, column B because alimony and separate maintenance payments are not taxable to nonresidents.

**Line 26 – Other Income****COLUMN A**

Include the following income on this line:

**Enclose document** ▶ See each type of income listed below for required enclosures.

**Amounts Received as Prizes and Awards.** Any prize won in a raffle, drawing, TV show, radio show, contest, or any other event is reportable and must be included on this line in column A. Include any goods or services as income at fair market value.

**Income in Respect of a Decedent.** If you had the right to receive income that the deceased person would have received had they lived and it was not included on the decedent's final return, you must report it on your own return when you receive it. Enclose a listing of the income.

**Income From Estates and Trusts.** If you are a beneficiary who received income from an estate or trust, include the Total Distribution from Schedule NJK-1, Form NJ-1041 on this line. If you did not receive an NJK-1,

adjust the income listed on the federal K-1 to reflect New Jersey tax law, then net the adjusted amounts and include the total on line 26. Enclose Schedule NJK-1 (or federal Schedule K-1) with your return.

If you have income from a grantor trust that is reportable for New Jersey purposes, do not include it on this line. Report the income in the proper category (e.g., report taxable interest on line 16a). Enclose a copy of the New Jersey or federal Grantor Trust Attachment.

For more information on estates and trusts, including grantor trusts, see [GIT-12](#), *Estates and Trusts*.

**Scholarships and Fellowship Grants.** This type of income is taxable unless the scholarship or grant meets all of the following conditions:

1. The primary purpose of the grant is to further the recipient's education or training; and
2. The grant does not represent payments for past, present, or future services that are subject to the direction or supervision of the grantor (e.g., a fellowship given in exchange for teaching); and
3. The grant is not for the benefit of the grantor.

**Residential Rental Value or Allowance Paid by Employer.** If an employer provides you with a residence, enter either the rental value or the rental allowance paid by the employer.

The rental value or allowance is excludable and should not be reported if it meets all of the following conditions:

1. The lodging is provided on the business premises of your employer; and
2. The lodging is provided for the convenience of your employer; and
3. You are required to accept the lodging as a condition of employment.

**Other.** Use this line for any other taxable income for which a place has not been provided somewhere else on the return. Income from both legal and illegal sources is subject to tax.

**COLUMN B**

Enter the portion of your other income that comes from New Jersey sources. If zero, enter "0."

**Amounts Received as Prizes and Awards.** Do not include in column B a prize won in a raffle, drawing, television or radio quiz show, or contest. You must include these amounts in column A.

**Income From Estates and Trusts.** Include the Total New Jersey Source Income Distributed reported on Schedule NJK-1, Form NJ-1041. If you did not receive an NJK-1, adjust the income listed on the federal K-1 to reflect New Jersey tax law, then net the adjusted New Jersey source income amounts and include the total on line 26. Do not include in column B income you received from an estate or trust if the estate or trust received the income from a business entity (i.e., sole proprietorship, partnership, LLP, or LLC) located in New Jersey and the only activity of the business entity is the purchase, holding, or sale of intangible personal property, such as commodities or securities, and the intangible personal property is not held for sale to customers. You must include this income in column A.

**Line 27 – Total Income**

**COLUMN A**

Add lines 15 through 26, column A, and enter the total.

**COLUMN B**

Add lines 15 through 26, column B, and enter the total

**Line 28a – Pension/Retirement Exclusion**

**COLUMN A**

You can exclude all or part of the pension income reported on line 22 if you meet the following qualifications:

- You (and/or your spouse if filing jointly) were age 62 or older or blind/disabled as defined by Social Security guidelines on the last day of the tax year; **and**
- **New for 2021** ▶ Your income on line 27, column A, is \$150,000 or less (part-year nonresidents, see below).

**Determining Your Exclusion Amount**

Line A. Amount from line 22, column A \_\_\_\_\_

**Joint Filers:** If only one spouse is 62 or older or disabled, enter only the pension income of that spouse. You cannot exclude the pension income of the spouse who is younger than 62 and not disabled.

Line B. Amount for your filing status and income using the chart below \_\_\_\_\_

Enter on line 28a the lesser of line A or line B.

Filing Status:	Income on line 27, column A:		
	\$0– \$100,000	\$100,001– \$125,000	\$125,001– \$150,000
Married/CU couple, filing joint return	\$100,000	50% of line 22	25% of line 22
Single Head of household Qualifying widow(er)/ surviving CU partner	\$75,000	37.5% of line 22	18.75% of line 22
Married/CU partner, filing separate return	\$50,000	25% of line 22	12.5% of line 22

For more information, see [GIT-1 & 2, Retirement Income](#).

**Part-Year Nonresidents.** Your income from all sources for the *entire* year must have been \$150,000 or less to qualify for the exclusion. When completing line B above, prorate the exclusion by the number of months you were a New Jersey nonresident. Enter the exclusion amount in column A. No entry is necessary in column B.

**COLUMN B**

You will not enter an amount on line 28a, column B because pension, annuity, and IRA withdrawal income is not taxable to nonresidents.

**Line 28b – Other Retirement Income Exclusion**

If you were 62 or older on the last day of the tax year, you may be able to use the Other Retirement Income Exclusion. If you are filing jointly and only one spouse is 62 or older, only the income of that spouse can be excluded. You cannot exclude the income of the spouse who is younger than 62.

**Unclaimed Pension Exclusion.** If you did not use your entire maximum exclusion on line 28a, you may be able to use the unclaimed portion. Complete Worksheet D to determine whether you have any exclusion remaining

**Worksheet D**  
**Other Retirement Income Exclusion**  
**Age Requirement: 62 or older**

Part-year nonresidents, do not complete this worksheet. (See instructions on page 22.)

Is income on line 27, column A, NJ-1040NR **MORE than \$150,000?**

- Yes. You are not eligible to use any unclaimed portion of your maximum exclusion. Make no entry on line 28b, columns A and B unless you are eligible for the Special Exclusion (see below).
- No. Continue with line 1.

1. Enter the amount of your maximum exclusion using the chart below ..... 1. \_\_\_\_\_
2. Enter the amount from line 28a, NJ-1040NR ..... 2. \_\_\_\_\_
3. Subtract line 2 from line 1 ..... 3. \_\_\_\_\_

Is the amount on line 3 **MORE than \$0?**

- Yes. Continue with line 4.
- No. You do not have any unused exclusion amount. Make no entry on line 28b, columns A and B unless you are eligible for the Special Exclusion (see below).

4. Enter the amount from line 15, col. A, NJ-1040NR ..... 4. \_\_\_\_\_
5. Enter the amount from line 18, col. A, NJ-1040NR ..... 5. \_\_\_\_\_
6. Enter the amount from line 23, col. A, NJ-1040NR ..... 6. \_\_\_\_\_
7. Enter the amount from line 24, col. A, NJ-1040NR ..... 7. \_\_\_\_\_
8. Add lines 4, 5, 6, and 7 ..... 8. \_\_\_\_\_

Is the amount on line 8 **MORE than \$3,000?**

- Yes. You are not eligible to use the unclaimed portion of your maximum exclusion. Make no entry on line 28b, columns A and B unless you are eligible for the Special Exclusion (see below).
- No. Continue with line 9.

9. Unclaimed Pension Exclusion. Enter the amount from line 3. Also include this amount on line 28b, column A and column B, NJ-1040NR ..... 9. \_\_\_\_\_

**Joint filers:** If only one spouse is 62 or older, only the income of that spouse can be excluded.

**Special Exclusion.** If you (and your spouse if filing jointly) will **never** be able to receive Social Security or Railroad Retirement benefits because your employer did not participate in either program, you may qualify for this exclusion. See [GIT-1 & 2, Retirement Income](#), before entering an amount on line 28b.

**Maximum Exclusion**

Filing Status:	Income on line 27, column A:		
	\$0 – \$100,000	\$100,001 – \$125,000	\$125,001 – \$150,000
Married/CU couple, filing joint return	\$100,000	50% of line 27, col. A	25% of line 27, col. A
Single Head of household Qualifying widow(er)/surviving CU partner	\$75,000	37.5% of line 27, col. A	18.75% of line 27, col. A
Married/CU partner, filing separate return	\$50,000	25% of line 27, col. A	12.5% of line 27, col. A

**(Keep for your records)**

**Worksheet E**  
**Other Retirement Income Exclusion – Part-Year Residents**  
**Age Requirement: 62 or older**

Was your income for the *entire year* **MORE than \$150,000?**

- Yes. You are not eligible to use any unclaimed portion of your maximum exclusion. Make no entry on line 28b, columns A and B unless you are eligible for the Special Exclusion (see below).
- No. Continue with line 1.

1. Enter the amount of your maximum exclusion calculated using the chart below. If your income was \$100,000 or less, you must prorate the maximum amount based on the number of months you were a New Jersey resident. .... 1. \_\_\_\_\_
2. Enter the amount from line 28a, NJ-1040NR ..... 2. \_\_\_\_\_
3. Subtract line 2 from line 1 ..... 3. \_\_\_\_\_

Is the amount on line 3 **MORE than \$0?**

- Yes. Continue with line 4.
- No. You do not have any unused exclusion amount. Make no entry on line 28b, columns A and B unless you are eligible for the Special Exclusion (see below).

Enter the following income for the *entire year*:

4. Wages, salaries, tips, and other employee compensation ..... 4. \_\_\_\_\_
5. Net profits from business ..... 5. \_\_\_\_\_
6. Distributive share of partnership income ..... 6. \_\_\_\_\_
7. Net pro rata share of S corporation income ..... 7. \_\_\_\_\_
8. Add lines 4, 5, 6, and 7 ..... 8. \_\_\_\_\_

Is the amount on line 8 **MORE than \$3,000?**

- Yes. You are not eligible to use any unclaimed portion of your maximum exclusion. Make no entry on line 28b, columns A and B unless you are eligible for the Special Exclusion (see below).
- No. Continue with line 9.

9. Unclaimed Pension Exclusion. Enter the amount from line 3. Also include this amount on line 28b, column A and column B, NJ-1040NR ..... 8. \_\_\_\_\_

**Joint filers:** If only one spouse is 62 or older, only the income of that spouse can be excluded.

**Special Exclusion.** If you (and your spouse if filing jointly) will **never** be able to receive Social Security or Railroad Retirement benefits because your employer did not participate in either program, you may qualify for this exclusion. See [GIT-1 & 2, Retirement Income](#), before entering an amount on line 28b.

**Maximum Exclusion**

Filing Status:	Income for the <i>Entire Year</i>		
	\$0 – \$100,000	\$100,001 – \$125,000	\$125,001 – \$150,000
Married/CU couple, filing joint return	$\frac{\text{Months NJ resident}^*}{12} \times \$100,000$	50% of line 27, col. A	25% of line 27, col. A
Single Head of household Qualifying widow(er)/surviving CU partner	$\frac{\text{Months NJ resident}^*}{12} \times \$75,000$	37.5% of line 27, col. A	18.75% of line 27, col. A
Married/CU partner, filing separate return	$\frac{\text{Months NJ resident}^*}{12} \times \$50,000$	25% of line 27, col. A	12.5% of line 27, col. A

\*For this calculation, 15 days or more is considered a month.

**(Keep for your records)**

and meet the eligibility requirements and, if so, to calculate the amount to include on line 28b. Part-year non-residents, do not complete Worksheet D. Instead, use Worksheet E.

**Special Exclusion.** If you (and your spouse if filing jointly) will **never** be able to receive Social Security or Railroad Retirement benefits because your employer did not participate in either program, you may qualify for the Special Exclusion. If you qualify, you can claim \$6,000 (married, filing joint; head of household; qualifying widow(er)) or \$3,000 (single; married, filing separate).

**Note:** Do not claim the Special Exclusion if you (or your spouse if filing jointly) will **ever** be eligible for Social Security or Railroad Retirement benefits.

See [GIT-1 & 2](#), *Retirement Income*, for more information.

**Part-Year Nonresidents.** If you did not use your entire prorated maximum exclusion on line 28a, you may be able to use the unclaimed portion. Complete Worksheet E to determine whether you have any exclusion remaining and meet the eligibility requirements and, if so, to calculate the amount to include on line 28b.

## Line 28c – Total Exclusion Amount

### COLUMN A

Add lines 28a and 28b, column A, and enter the total.

### COLUMN B

Enter on line 28c, column B, the amount from line 28b, column B.

## Line 29 – Gross Income

### COLUMN A

Subtract line 28c, column A, from line 27, column A, and enter the result. If zero or less, enter "0."

### Required to file a return

You are **required** to file a return if your income on line 29, column A is more than the filing threshold:

- \$20,000 Married filing jointly, Head of Household, or Qualified Widow(er)
- \$10,000 Single or married/CU partner filing separate return

### Not required to file a return

You are **not required** to file a return if your income is at or below the filing threshold. However, you still need to file if you:

- Had New Jersey Income Tax withheld;
- Paid estimated taxes or had a credit from the prior year.

Enter zero on lines 38 and 39 and complete the return.

**Withholding Exemption.** If you do not expect to have a New Jersey Income Tax liability for 2022, complete Form NJ-W4 and give it to your employer to claim an exemption from withholding.

**Part-Year Nonresidents.** If your income for the entire year was equal to or less than the filing threshold amount and you are filing to get a refund, you must enclose a copy of your federal return. If you did not file a federal return, include a statement to that effect.

### COLUMN B

Subtract line 28c, column B, from line 27, column B, and enter the result. If zero or less, enter "0."

## Line 30 – Total Exemption Amount

Calculate your total exemption amount as follows:

From line 13a \_\_\_\_\_ × \$1,000 = \_\_\_\_\_

From line 13b \_\_\_\_\_ × \$1,500 = \_\_\_\_\_

From line 13c \_\_\_\_\_ × \$6,000 = \_\_\_\_\_

Total Exemption Amount \_\_\_\_\_

Enter the number of exemptions from line 13a. Multiply the number by \$1,000 and enter the result.

Enter the number of exemptions from line 13b. Multiply the number by \$1,500 and enter the result.

Enter the number of exemptions from line 13c. Multiply the number by \$6,000 and enter the result.

Add the exemption amounts calculated above and enter the total on line 30.

**Part-Year Nonresidents.** Prorate the total calculated above for the time you were a nonresident of New Jersey and enter the amount on line 30. For this calculation, 15 days or more is considered a month.

## Line 31 – Medical Expenses

You can deduct certain unreimbursed medical expenses you paid during the year for yourself, your spouse or domestic partner, and any dependents you claim. You can only deduct expenses that are more than 2% of your gross income. In general, medical expenses allowed for federal tax purposes are allowed for New Jersey tax purposes. These can include:

- Physicians, dental, and other medical fees;
- Prescription eyeglasses and contact lenses;

- Hospital care;
- Nursing care;
- Medicines and drugs;
- Prosthetic devices;
- X-rays and other diagnostic services conducted by or directed by a physician or dentist;
- Amounts paid for transportation primarily for and essential to medical care;
- Insurance (including amounts paid as premiums under Part B of Title XVIII of the Social Security Act, relating to supplementary medical insurance for the aged) covering medical care.

You can also deduct qualified Archer MSA contributions and self-employed health insurance costs. Information is available on our [website](#).

Use Worksheet F below to calculate your medical expenses deduction.

**Note:** For federal purposes you may be able to deduct amounts paid for health insurance for any child of yours who was under age 27 at the end of 2021. However, for New Jersey purposes you can deduct these amounts only if the child was your dependent. For more information, see Technical Advisory Memorandum [TAM 2011-14](#).

**Part-Year Nonresidents.** Include only those expenses you incurred and paid while you were a nonresident of New Jersey.

### Line 32 – Alimony and Separate Maintenance Payments

Enter any court-ordered alimony or separate maintenance payments you made. Do not include child support payments.

**Part-Year Residents.** Include only those payments made while you were a nonresident of New Jersey.

### Line 33 – Qualified Conservation Contribution

Enter any qualified contribution you made of real property (land) in New Jersey for conservation purposes (e.g., protection of natural habitat, farmland, forest, or open space). The deduction is the amount of the contribution allowed as a deduction in calculating your taxable income for federal purposes.

**Enclose document** If you file federal Form 8283, enclose a copy with your return.

**Part-Year Nonresidents.** Include only those contributions you made while you were a nonresident of New Jersey.

### Line 34 – Health Enterprise Zone Deduction

If you provide primary care services in a qualified medical or dental practice you own that is located in or within five miles of a designated Health Enterprise Zone (HEZ), you may be able to deduct a percentage of the net income from that practice.

Enter the HEZ deduction for a qualified practice as follows:

- Partners – Use the amount from Part III of the Schedule NJK-1, Form NJ-1065, you received from the practice;
- S corporation shareholders – Use the amount from Part V of the Schedule NJ-K-1, Form CBT-100S, you received from the practice;
- Sole proprietors – Determine your allowable HEZ deduction and enclose a schedule showing how you calculated it.

**Note:** Do not claim unreimbursed medical expenses, health insurance premiums, or other personal or business expenses as a deduction on this line.

#### Worksheet F Deduction for Medical Expenses

1. Total unreimbursed medical expenses .....	1. _____
2. Enter line 29, column A, Form NJ-1040NR _____ x .02 = .....	2. _____
3. Medical Expenses Deduction. Subtract line 2 from line 1 and enter result here. If zero or less, enter zero .....	3. _____
4. Enter the amount of your qualified Archer MSA contributions from federal Form 8853 .....	4. _____
5. Enter the amount of your self-employed health insurance deduction .....	5. _____
6. <b>Total Deduction for Medical Expenses.</b> Add lines 3, 4, and 5. Enter the result here and on line 31, Form NJ-1040NR. If zero, enter zero here and make no entry on line 31, Form NJ-1040NR .....	6. _____

**(Keep for your records)**

For eligibility requirements and instructions for calculating the HEZ deduction, see Technical Bulletin [TB-56](#).

**Part-Year Nonresidents.** If you are a partner or an S corporation shareholder, you must prorate the deduction based on the number of days in the entity's fiscal year that you were a nonresident of New Jersey. If you are a sole proprietor, use only the receipts for your period of nonresidency when calculating the deduction.

### Line 35 – Alternative Business Calculation Adjustment

If you completed Schedule NJ-BUS-1 and had a loss on line 4 of any part, you may be eligible for an income adjustment. You also may be eligible if you had a loss carryforward on Schedule NJ-BUS-2 from a prior year. Complete Schedule NJ-BUS-2 and enter on line 35 the amount from line 11 of the schedule.

**Enclose document** Enclose Schedule NJ-BUS-2 with your return and keep a copy for your records. You may need the information to complete future returns.

**Note:** You must keep track of any unused losses that are carried forward. Unused losses can be carried forward for up to 20 years to calculate future adjustments.

### Line 36 – Organ/Bone Marrow Donation Deduction

If you donated an organ or bone marrow to another person for transplantation, you can deduct up to \$10,000 of unreimbursed expenses for travel, lodging, and lost wages related to the donation. This deduction is also available to your spouse (if filing jointly) or any dependents you claim on your return. You must take the deduction the year in which the transplant occurs. If you had unreimbursed expenses in the year prior to or in the year after the transplant, they must be claimed in the year they were incurred. The combined deduction amount cannot exceed \$10,000.

You may be asked to provide documentation indicating that you are eligible to claim the deduction, such as employee pay statements and a letter from a physician.

A list of acceptable documentation is available on our [website](#).

### Line 37 – Total Exemptions and Deductions

Add lines 30 through 36 and enter the total.

### Line 38 – Taxable Income

Subtract line 37 from line 29, column A, and enter the result. If line 38 is zero or less, enter "0."

### Line 39 – Tax on Amount on Line 38

Calculate your tax using one of the following methods and enter the amount on line 39.

**Tax Table.** If line 38 is less than \$100,000, you can use the New Jersey Tax Table on page 34 or the New Jersey Tax Rate Schedules on page 43 to find your tax. If you use the tax table, use the correct column for your filing status.

**Tax Rate Schedules.** If line 38 is \$100,000 or more, you must use the New Jersey Tax Rate Schedules on page 43. Use the correct schedule for your filing status.

### Line 40 – Income Percentage

Divide the amount on line 29, column B by the amount on line 29, column A. Carry your result to four decimal places and enter the result. For example, if the amounts used were \$20,000 (line 29, column B) divided by \$30,000 (line 29, column A), the result would be 66.67% or .6667.

In certain situations the income percentage can be more than 100%. For example, a taxpayer realizes a \$50,000 gain from the sale of real property in New Jersey and sustains a \$10,000 loss from the sale of property in Florida. This nonresident (who has no other income) reports \$40,000 as their income from everywhere (column A) and \$50,000 as income from New Jersey sources (column B). The income percentage is 125% (or 1.25) calculated as follows: \$50,000 (line 29, column B) divided by \$40,000 (line 29, column A).

### Line 41 – New Jersey Tax

Multiply the amount on line 39 by the income percentage on line 40, and enter the result.

### Line 42 – Sheltered Workshop Tax Credit

Enter your Sheltered Workshop Tax Credit for the current year from Part IV, line 12 of Form GIT-317.

**Enclose document** Enclose Form GIT-317 with your return.

**Part-Year Nonresidents.** Prorate your credit based on the number of months you were a nonresident of New Jersey.



## Line 43 – Gold Star Family Counseling Credit

If you are a mental health care professional who provided counseling through the Gold Star Family Counseling program, complete the following calculation to determine the amount of your credit:

1. Enter the number of hours of counseling you provided through the program .....
2. Enter the TRICARE rate for the service .....
3. Multiply line 1 by line 2. Enter this amount on line 43 ...

**Part-Year Nonresidents.** Include only the hours of counseling provided through the program while you were a nonresident of New Jersey.

## Line 44 – Credit for Employer of Organ/Bone Marrow Donor

If you are an employer who provided paid time off to an employee who missed work to donate an organ or bone marrow for transplantation, you may be able to claim a credit. The paid time off must have been in addition to any other paid time off for which the employee was entitled. If you qualify, you can take a credit of 25% of the employee's salary for up to 30 days of time missed from work for each donation.

You may be asked to provide documentation indicating that you are eligible to claim the credit, such as employee pay statements and a letter from a physician.

A list of acceptable documentation is available on our [website](#).

## Line 45 – Total Credits

Add lines 42, 43, and 44 and enter the total.

## Line 46 – Balance of Tax After Credits

Subtract line 45 from line 41 and enter the result. If line 45 is blank, enter the amount from line 41.

## Line 47 – Penalty for Underpayment of Estimated Tax

New Jersey Income Tax is a pay-as-you-go tax. You must pay tax on your income as you earn or receive it. If you did not pay enough tax on your income throughout the year, you may have to pay installment interest.

Installment interest may be charged if:

- Your total tax is more than \$400 (after subtracting withholdings and other credits); **and**
- You did not pay (by withholdings or estimated payments) at least 80% of your tax liability during the year.

To calculate the amount of interest for the underpayment of estimated tax, complete Form NJ-2210NR, Underpayment of Estimated Tax by Nonresident Individuals. Enter on line 47 the amount from line 19, Form NJ-2210NR, and check the box.

**Enclose document** Enclose Form NJ-2210NR with your return.

For more information, see [GIT-8](#), *Estimating Income Taxes*.

## Line 48 – Total Tax and Penalty

Add lines 46 and 47 and enter the total.

## Line 49 – Total New Jersey Income Tax Withheld

Enter the total New Jersey Income Tax withheld as shown on all of your W-2s, W-2Gs, and/or 1099s on this line.

Common forms include:

- Form W-2: Box 17 (Box 15 must indicate NJ);
- Form W-2G: Box 15 (Box 13 must indicate NJ);
- Form 1099-R: Box 14 (Box 15 must indicate NJ);
- Form 1099-MISC: Box 16 (Box 17 must indicate NJ);
- Form 1099-NEC: Box 5 (Box 6 must indicate NJ.)

**Do not** include on this line:

- Tax paid on your behalf by partnership(s). Report these amounts in Part III of Schedule NJ-BUS-1;
- Estimated payments made in connection with a sale or transfer of real property in New Jersey. Report on line 50.

**Enclose document** Enclose Forms W-2 and 1099 with your return.

**Part-Year Nonresidents.** You must determine from your W-2, W-2G, and/or 1099 statement(s) the amount of New Jersey Income Tax withheld from wages you earned or other payments you received while you were a nonresident. If your W-2 includes only wages you earned while you were a nonresident, report the total New

Jersey tax withheld on the W-2. If your employer combined your resident and nonresident wages on the W-2, include only tax withheld while you were a nonresident of New Jersey.

## Line 50 – New Jersey Estimated Tax Payments/Credit From 2020 Tax Return

Include on this line:

- Estimated tax payments made for 2021. Include payments made in connection with the sale or transfer of real property in New Jersey. Enclose a copy of Form GIT/REP-1, Nonresident Seller's Tax Declaration, or GIT/REP-2, Nonresident Seller's Tax Prepayment Receipt, with the return;
- Amount paid with your application for an extension;
- Credit applied from the prior year. This is the amount you chose to carry forward on line 59A of your 2020 NJ-1040NR.
- Payments made by an S corporation on behalf of a nonresident/nonconsenting shareholder. Enclose a copy of Form NJ-1040-SC.

Do not include on this line:

- Prior year refunds;
- Tax paid on your behalf by partnership(s). Report amounts from Schedule NJK-1, Form NJ-1065 in Part III of Schedule NJ-BUS-1. Report amounts from Schedule NJK-1, Form NJ-1041 on line 51.

**Payments Made Under Another Name or Social Security Number.** If you changed your name (marriage, divorce, etc.), and you made estimated tax payments using your former name, enclose a statement explaining all the payments you and/or your spouse made for 2021 and the name(s) and Social Security number(s) under which you made payments.

If your spouse died during the year and amounts were paid/credited under both your Social Security numbers, enclose a statement listing the Social Security numbers and the amounts submitted under each.

**Part-Year Nonresidents.** Enter the amount of estimated payments you made to New Jersey while you were a nonresident. If you made estimated payments both as a resident and as a nonresident, enter only the payments you made to meet your tax liability while you were a nonresident.

## Line 51 – Tax Paid on Your Behalf by Partnerships

Enter the total amount of New Jersey Income Tax paid on your behalf by partnership(s) as shown on:

- Schedule NJ-BUS-1, Part III, line 5, total share of tax paid on your behalf by partnerships;
- Schedule NJK-1 (Form NJ-1041), Part II, tax paid by partnerships and distributed;
- Schedule NJK-1 (Form NJ-1041), Part III, tax paid by partnerships on behalf of trust.

**Enclose document** Enclose a copy of Schedule NJK-1 (Form NJ-1065) for each partnership that paid tax on your behalf, and a copy of Schedule NJK-1 (Form NJ-1041) for each estate or trust that distributed tax paid by partnership(s) to you for which you are claiming a credit.

## Line 52 through 54 – UI/WF/SWF, DI, and FLI Credits

If you had two or more employers and you contributed more than the maximum amount of unemployment insurance (UI)/workforce development partnership fund (WF)/supplemental workforce fund (SWF) contributions, disability insurance (DI) contributions, and/or family leave insurance (FLI) contributions, you may be able to take credit for the excess withheld.

The maximum employee contributions were:

UI/WF/SWF – \$153.85  
DI – \$649.54  
FLI – \$386.96

Complete Form NJ-2450 to calculate the excess contributions and report as follows:

Enter on line:	Amount from Form NJ-2450:
52	Line 4
53	Line 5
54	Line 6

**Enclose document** You **must** enclose Form NJ-2450 with your return.

If you had only one employer, you must contact that employer for the refund of any amount that was overwithheld. Do not complete Form NJ-2450.

If you had multiple employers but one employer withheld more than the maximum, do not enter more than the maximum amount for that employer on Form NJ-2450. Any amounts over the maximum that were incorrectly withheld must be refunded by that particular employer.

If we deny your request, you must refile your claim through the Department of Labor and Workforce Development by completing Form UC-9A.

### Line 55 – Pass-Through Business Alternative Income Tax Credit

Enter your share of tax from Schedule NJ-BUS-1, Part III, line 6; Schedule NJ-BUS-1, Part IV, line 5; or from Schedule NJK-1 received from an estate or trust.

**Enclose document** Enclose Schedule NJ-BUS-1 and a copy of your Schedule PTE-K-1 or Schedule NJK-1 with your return.

### Line 56 – Total Payments/Credits

Add lines 49 through 55 and enter the total.

### Line 57 – Amount You Owe

If line 56 is less than line 48, you have tax due. Subtract line 56 from line 48 and enter the result. If you would like to make a donation to the Charitable Campaigns, continue with lines 60A–60F.

See “How to Pay” on page 30. If you do not file your return or make a payment on time, we may charge you penalties and interest. See page 30.

**Note:** If the amount on line 57 is more than \$400, you may want to increase your estimated payments or contact your employer for Form NJ-W4 to increase your withholdings.

### Line 58 – Overpayment

If line 56 is more than line 48, you have an overpayment. Subtract line 48 from line 56 and enter the result.

### Line 59 – Credit to Your 2022 Tax

Enter the amount of your overpayment that you want to credit to your 2022 tax. This amount will reduce your refund.

### Lines 60A through 60F – Charitable Contributions

You can make a donation to one or more of the following charities. The amount you donate will reduce your refund or increase your balance due.

To make a donation, check the appropriate box(es) and enter the amount you want to contribute on the corresponding line:

Line 60A – Endangered Wildlife Fund

Line 60B – Children’s Trust Fund

Line 60C – Vietnam Veterans’ Memorial Fund

Line 60D – Breast Cancer Research Fund

Line 60E – U.S.S. New Jersey Educational Museum Fund

Line 60F – You can donate to one of the following funds on this line. Enter the code number in the boxes provided.

- Drug Abuse Education Fund (01)
- Korean Veterans’ Memorial Fund (02)
- Organ and Tissue Donor Awareness Education Fund (03)
- NJ-AIDS Services Fund (04)
- Literacy Volunteers of America – New Jersey Fund (05)
- New Jersey Prostate Cancer Research Fund (06)
- World Trade Center Scholarship Fund (07)
- New Jersey Veterans Haven Support Fund (08)
- Community Food Pantry Fund (09)
- Cat and Dog Spay/Neuter Fund (10)
- New Jersey Lung Cancer Research Fund (11)
- Boys and Girls Clubs in New Jersey Fund (12)
- NJ National Guard State Family Readiness Council Fund (13)
- American Red Cross – NJ Fund (14)
- Girl Scouts Councils in New Jersey Fund (15)
- Homeless Veterans Grant Fund (16)
- Leukemia & Lymphoma Society New Jersey Fund (17)
- Northern New Jersey Veterans Memorial Cemetery Development Fund (18)
- New Jersey Farm to School and School Garden Fund (19)
- Local Library Support Fund (20)
- ALS Association Support Fund (21)
- Fund for the Support of New Jersey Nonprofit Veterans Organizations (22)
- New Jersey Yellow Ribbon Fund (23)
- Autism Programs Fund (24)
- Boy Scouts Councils in New Jersey Fund (25)
- NJ Memorials to War Veterans Maintenance Fund (26)
- Jersey Fresh Program Fund (27)
- NJ World War II Veterans’ Memorial Fund (28)
- Meals on Wheels in New Jersey Fund (29)

More information on the charitable funds is available on our [website](#). See “Charitable Funds” under “Individuals.”

### Line 61 – Total Adjustments to Tax Due/Overpayment

Add lines 59 through 60F and enter the total.

### Line 62 – Balance Due

Compare lines 57, 58, and 61 and complete line 62 as follows:

- If you have an amount on line 57, add lines 57 and 61 and enter the total.
- If you have an amount on line 58 but it is *less* than the amount on line 61, subtract line 58 from line 61 and enter the result.
- If you have no amount on lines 57 and 58 but you have an amount on line 61, enter the amount from line 61.

See “How to Pay” on page 30.

If you do not file your return or make a payment on time, we may charge you penalties and interest. See page 30.

### Line 63 – Refund

If you have an amount on line 58, subtract line 61 from line 58 and enter the result.

You must submit your return to claim a refund. If the refund is \$1 or less, you must enclose a statement requesting it.

**Time Period for Refunds.** Generally, you have three years from the date the return was due (including extensions) to request a refund.

**Claims Against Your Refund (Set-Off/Offset Programs).** Your refund can be used to pay debts you owe to:

- The State of New Jersey, including any of its agencies;
- The Internal Revenue Service;
- Another claimant state/city that has a personal income tax set-off agreement with New Jersey.

If we apply your refund or credit to any debts, we will notify you by mail.

## Part I: Net Gains or Income From Disposition of Property

Report your capital gains and income from the sale or exchange of property (both inside and outside New Jersey). You can deduct the expenses of the sale and your basis in the property from the sales price.

In general, when calculating your gain or loss, you will use the cost or adjusted basis that you used for federal purposes. However, in certain situations, you may use a different basis.

- *Sale of interest in a partnership, a sole proprietorship, or rental property.* You may be required to use a New Jersey adjusted basis.
- *Sale of S corporation shares.* You **must** use your New Jersey adjusted basis.

If you sold or transferred real property in New Jersey and made estimated tax payments in connection with the sale or transfer, include those payments on line 50. Enclose a copy of Form GIT/REP-1, Nonresident Seller’s Tax Declaration, or GIT/REP-2, Nonresident Seller’s Tax Prepayment Receipt, with the return.

**Sale of Principal Residence (Main Home).** Capital gain is calculated the same way as for federal purposes. Any amount that is taxable for federal purposes is taxable for New Jersey purposes. For more information on reporting capital gains for the sale of a main home, visit the IRS website at [irs.gov](http://irs.gov).

**Installment Sales.** You must report all gains from installment sales in the same year as they are reported for federal purposes. If the New Jersey basis is different from the federal basis, you must make a New Jersey installment sale calculation and report the New Jersey gain.

**Depreciation and Expense Deduction.** New Jersey and federal depreciation and expense deduction limits are different. A New Jersey depreciation adjustment may be required for assets placed in service on or after January 1, 2004. Complete the Gross Income Tax Depreciation Adjustment Worksheet GIT-DEP to calculate the adjustment.

**Complete Liquidation.** If you had an interest in a partnership, sole proprietorship, or S corporation that sold or disposed of virtually all of its assets in conjunction with the complete liquidation of the entity, you must report your portion of the gain or loss from the sale or disposition of those assets.

## Line 64 – List of Transactions

List any reportable transaction(s) as reported on your federal Schedule D, indicating the gain or loss for each transaction in column f. In listing the gain or loss on disposition of rental property, you must take into consideration the New Jersey adjustment from Worksheet GIT-DEP, Part I, line 6.

Do not include gains or losses from the sale of exempt obligations. See [GIT-5](#), *Nontaxable Investment Income*.

There is no distinction between active and passive losses for New Jersey purposes. You cannot carry back or carry forward such losses when reporting income on Form NJ-1040NR. You can deduct federal passive losses in full in the year incurred against any gain within the same category of income, but only in the year that it occurred.

If you need more space, enclose a statement with the return listing any additional transactions.

## Line 65 – Capital Gains Distributions

Enter your capital gains distributions from Form 1099-DIV(s) or similar statement(s). Do not include capital gains from a New Jersey qualified investment fund that are attributable to qualified exempt obligations or gains from mutual funds to the extent attributable to federal obligations. For more information on New Jersey qualified investment funds, see [GIT-5](#), *Nontaxable Investment Income*.

## Line 66 – Other Net Gains

Enter the net gains or income less net losses from disposition of property not included on line 64 or 65 of Part I.

## Line 67 – Net Gains

Enter the total of the amounts listed on line 64, column f and lines 65 and 66, netting gains with losses. If the netted amount is a loss, enter "0." Also enter this amount on line 19, column A. On line 19, column B, enter the net gains derived from New Jersey sources. If zero or less, enter "0."

**Part-Year Nonresidents.** Include only the amounts you received while you were a nonresident of New Jersey.

## Part II: Allocation of Wage and Salary Income

Complete Part II if you have wage/salary income earned partly inside and partly outside New Jersey and you cannot readily determine the amount that is from New Jersey.

**Do not** use Part II if your wage/salary income is based on volume (the amount of sales or amount of business transacted). Instead, see the instructions for line 15, column B.



Check the box at line 15 if you complete this section.

## Line 68 – Amount to be Allocated

Enter the amount reported at line 15, column A, that was earned partly inside and partly outside New Jersey.

## Line 69 – Total Days

Full-year nonresidents, enter 365 (366 for leap years).

**Part-Year Nonresidents.** Enter the number of days for your period of nonresidence.

## Line 70 – Nonworking Days

Enter the total number of nonworking days (Saturdays, Sundays, holidays, sick leave, vacation, etc.) during the tax year covered by this return.

## Line 71 – Total Days Worked

Subtract line 69 from line 68 and enter the result. This is the total number of days worked during the tax year covered by this return.

## Line 72 – Days Worked Outside New Jersey

Enter the number of days worked outside New Jersey during the tax year covered by this return.

## Line 73 – Days Worked in New Jersey

Subtract line 71 from line 70 and enter the result. This is the number of days you worked in New Jersey during the tax year covered by this return.

## Line 74 – Allocation Factor

Divide line 73 by line 71. The result will be a decimal. Multiply line 68 by the decimal. Include this amount on line 15, column B.

## Part III: Allocation of Business Income to New Jersey

Complete Part III if you are required to complete and enclose a Gross Income Tax Business Allocation Schedule (Form NJ-NR-A). This schedule is completed by nonresident individuals, partnerships, estates, and trusts carrying on business both inside and outside New Jersey.

### Signature

Sign and date your return in blue or black ink. Both spouses must sign a joint return. The signature(s) on the form you file must be original; photocopied signatures are not acceptable. We cannot process a return without the proper signatures and will return it to you. This causes unnecessary processing delays and may result in penalties for late filing. If you are filing on behalf of a deceased taxpayer, see "Deceased Taxpayers" on page 32.

### Death Certificate

Check the box below the signature line if you are enclosing a death certificate.

### Paid Tax Preparer Information

Anyone who prepares a return for a fee must sign the return as a "Paid Preparer" and enter their Social Security number or federal preparer tax identification number. Include the company or corporation name and federal identification number, if applicable. A tax preparer who fails to sign the return or provide a tax identification number may incur a \$25 penalty for each omission. Someone who prepares your return but does not charge you should not sign your return.

**Preparer Authorization.** Division of Taxation personnel cannot discuss your return or enclosures with anyone other than you without your written authorization because of the strict provisions of confidentiality. If you want a Division of Taxation representative to discuss your tax return with the person who signed your return as your "Paid Tax Preparer," check the box above the preparer's signature line to give your permission.

**E-File Mandate.** Preparers that reasonably expect to prepare 11 or more individual resident Income Tax returns (including those filed for trusts and estates) during the tax year must use electronic methods to file those returns if an electronic filing option is available. A tax preparer is liable for a penalty of \$50 for each return they fail to file electronically when required to do so.

### How to Pay

You can make your payment either electronically (e-check or credit card) or by check or money order. Payments must be postmarked or submitted electronically by April 18, 2022, to avoid penalty and interest charges. If you are paying a balance due for 2021 and also making an estimated tax payment for 2022, make a separate payment for each transaction. If you owe less than \$1, you do not have to make a payment.

**Check or Money Order.** If you owe tax and are sending the payment with your return, complete a payment voucher (Form NJ-1040NR-V), entering the amount of tax due in the boxes on the voucher. Form NJ-1040NR-V is available on the Division's [website](#).

Make your check or money order payable to State of New Jersey – TGI. Write your Social Security number on the check or money order. If you are filing a joint return, include both Social Security numbers in the same order the names are listed on the return. Send your payment for the balance due with the voucher in the same envelope with your tax return. (See "Where to Mail Your Return" on page 31.)

**Electronic Payments.** Do not send in the payment voucher if you are paying electronically. When making your payment, you must enter the Social Security number and date of birth of the first person listed on the tax return or your account will not be properly credited.

- **Electronic Check (e-check).** You can have your payment directly withdrawn from your bank account using our online e-check service. This option is available on our [website](#). If you do not have internet access, you can make an e-check payment by contacting our Customer Service Center or by visiting a Regional Information Center. (See page 44 for phone numbers or addresses.)
- **Credit Card (Processing Fees Apply).** You can use an American Express, Discover, MasterCard, or Visa credit card to make your payment. This option is available on our [website](#) or by phone at 1 (888) 673-7694. You can also pay by credit card by contacting the Division's Customer Service or by visiting a Regional Information Center. (See page 44 for phone numbers or addresses.)

### Penalties, Interest, and Collection Fees

If you do not file your return or make your payment on time, we may charge you the following penalties and interest:

- **Late Filing Penalty.** When you file a return after the original or extended due date, we will assess a penalty of 5% per month (or part of a month) up to

a maximum of 25% on the outstanding tax balance. You may also be charged a \$100 penalty for each month the return is late.

- **Late Payment Penalty.** When you pay after the filing deadline, you may be charged a 5% penalty on the outstanding balance.
- **Interest.** We will assess interest at an annual rate of 3% above the prime rate each month (or part of a month) the tax is unpaid. At the end of each calendar year, any tax, penalties, and interest remaining unpaid will become part of the balance on which interest is charged. See Technical Bulletin [TB-21\(R\)](#) for current and previous years' interest rates.
- **Collection Fees.** In addition, if your tax bill is sent to our collection agency, a referral cost recovery fee of 11% of the tax due will be added to your liability. If a certificate of debt is issued for your outstanding liability, a fee for the cost of collection of the tax may also be imposed.

## Where to Mail Your Return

Mail your NJ-1040NR, related enclosures, payment voucher, and check or money order for any tax due. Send only one return per envelope.

### Mail Your Return to:

State of New Jersey  
Division of Taxation  
Revenue Processing Center  
PO Box 244  
Trenton NJ 08646-0244

Do not staple, paper clip, tape, or use any other fastening device for your return and enclosures.

## Military Personnel

A member of the Armed Forces whose domicile is outside New Jersey does not become a resident of this State when assigned to a duty station in New Jersey. They are a nonresident for Income Tax purposes.

Income you receive as a nonresident from New Jersey sources *other than military pay* is **taxable**. Military pay is **not** taxable to a nonresident of New Jersey. **Do not report military pay in Column A or Column B.** Military pensions, mustering-out payments, and subsistence and housing allowances are **not** taxable and also should not be included.

For a more in-depth discussion of residency status and information on how to stop having New Jersey Income Tax withheld from your military pay, see [GIT-6, Part-Year Residents and Nonresidents](#) and [GIT-7, Military Personnel and Families](#).

## Death Related to Duty

When a member of the Armed Forces serving in a combat zone or qualified hazardous duty area dies as a result of wounds, disease, or injury received there, no Income Tax is due for the year the death occurred, or for any earlier years served in the zone or area.

## Spouses of Military Personnel

Federal law allows spouses of military personnel to choose the same legal residence as the service member for state and local tax purposes. The spouse does not have to actually live in the state or live with the service member spouse during the year.

If your spouse is a member of the military and you live in New Jersey but choose a different state as your legal residence, you are not subject to tax on wages earned in New Jersey. If you had New Jersey tax withheld in error or made estimated payments, file a New Jersey Nonresident Income Tax Return (Form NJ-1040NR) to get a refund. Enclose a statement explaining why your wages are exempt along with a copy of your spousal military identification card. Print **MILITARY SPOUSE** at the top of the return. To stop New Jersey Income Tax withholding, file Form NJ-165, Employee's Certificate of Nonresidence in New Jersey, with your employer.

All other types of income from New Jersey, such as gain from sale of property located in New Jersey, are taxable. If you had other types of income, you must file a New Jersey nonresident return if required (see chart on page 2). Wages earned in New Jersey by a spouse who lives *outside* New Jersey also are subject to New Jersey Income Tax. If you live outside New Jersey, you cannot use form NJ-165 to claim an exemption from New Jersey Income Tax withholding on wages earned in this State as the spouse of a servicemember.

For more information on military spouses, see [GIT-7, Military Personnel and Families](#).

## Military Extensions

If you are not able to file on time because of distance, injury, or hospitalization as a result of being on active duty with the Armed Forces of the United States, you will automatically receive a six-month extension by enclosing an explanation when filing the return.

**Combat Zone.** New Jersey allows extensions of time to file Income Tax returns and pay any tax due for members of the Armed Forces and civilians providing support to the Armed Forces serving in an area that has been declared a "combat zone" by executive order of the President of the United States or a "qualified hazardous duty area" by federal statute.

Once you leave the combat zone or qualified hazardous duty area, you have 180 days to file your tax return and pay tax due.

In addition, if you are hospitalized outside New Jersey as a result of injuries you received while serving in a combat zone or qualified hazardous duty area, you have 180 days from the time you leave the hospital or you leave the combat zone or hazardous duty area, whichever is later.

No interest or penalties will be assessed during a valid extension for service in a combat zone or qualified hazardous duty area. This extension also applies to your spouse if you file a joint return.

**Enclose document** Enclose a statement of explanation with your return when you file that includes the reason for the extension.

For more information on military personnel, see [GIT-7, Military Personnel and Families](#).

## Pennsylvania Residents

As a result of the Reciprocal Personal Income Tax Agreement between Pennsylvania and New Jersey, compensation paid to Pennsylvania residents employed in New Jersey is not subject to New Jersey Income Tax. Compensation means salaries, wages, tips, fees, commissions, bonuses, and other remuneration received for services rendered as an employee.

If New Jersey Income Tax was withheld from your wages, you must file a New Jersey nonresident return to get a refund. To stop the withholding of New Jersey Income Tax, complete a New Jersey Employee's Certificate of Nonresidence in New Jersey (Form NJ-165) and give it to your employer.

The Reciprocal Agreement covers compensation only. If you are self-employed or receive other income (for example, gain from sale of property) that is taxable in both states, you must file a New Jersey nonresident return and report the income received.

**Column A.** Complete column A, lines 15 through 27, showing income from everywhere.

**Column B.** When Pennsylvania residents complete column B, employee compensation from New Jersey sources should not be included on line 15. For Pennsylvania residents line 15, column B, is zero, so enter "0."

**Withholdings.** If New Jersey Income Tax was withheld, enter the amount from your W-2s on line 49.

**Signed Statement.** Pennsylvania residents employed in New Jersey who had New Jersey Income Tax withheld in error must enclose a signed Statement of New Jersey Nonresidency, which is available on our [website](#).

## Deceased Taxpayers

If a person received income in 2021 but died before filing a return, the surviving spouse or personal representative (executor or administrator of an estate or anyone who is in charge of the decedent's personal property) should file the New Jersey return.

**Filing Status.** Use the same filing status that was used on the final federal income tax return, unless the decedent was a partner in a civil union. (See "Filing Status" on page 4.)

### Name and Address

- *Joint return.* Write the name and address of the decedent and the surviving spouse in the name and address fields. Print "Deceased" and the date of death above the decedent's name.
- *Other filing status.* Write the decedent's name in the name field and the personal representative's name and address in the remaining fields. Print "Deceased" and the date of death above the decedent's name.

**Exemptions and Deductions.** Prorate exemptions and deductions only if the decedent was a New Jersey resident for part of the year and a nonresident for part of the year.

### Signatures

- *Personal representative.* A personal representative filing on behalf of a deceased taxpayer must sign the return in their official capacity. If it is a joint return, the surviving spouse also must sign.
- *No personal representative.* If filing a return when there is no personal representative for the deceased, the surviving spouse signs the return and writes "Filing as Surviving Spouse" or "Filing as Surviving Civil Union Partner" in the signature section.
- *No personal representative and no surviving spouse.* If there is no personal representative and there is no surviving spouse, the person in charge of the decedent's property must file and sign the return as "Personal Representative."

If there is a refund due and you want us to issue the check to the decedent's surviving spouse or estate:

- Fill in the oval below the signature line; and
- Enclose a copy of the decedent's death certificate (if an estate, also include the Surrogate's Short Certificate).



**Income in Respect of a Decedent.** If you had the right to receive income that the deceased person would have received had they lived, and the income was not included on the decedent's final return, you must report it on your own return when you receive it. Include the income on line 26 as "Other" income.

## Amended Returns

File an amended return and pay any tax due if:

- You receive an additional tax statement (W-2 or 1099) after filing your return; or
- You find that you made a mistake on your previously filed return; or
- There are any changes in your federal income tax that affect your New Jersey taxable income. The amended return must be filed within 90 days.

To file an amended nonresident return, complete a new NJ-1040NR and check the box at the top of the return. Enclose all supporting documents, schedules, and forms (W-2, NJK-1, etc.) Do not use Form NJ-1040X to amend a nonresident return.

## After You Complete the Form

- Do not staple, paper clip, tape, or use any other type of fastening device.
- Check name, address, and Social Security number, for accuracy.
- Send only one return per envelope.

- Enclose all supporting documents, forms, and schedules.
- Keep a copy of your return and all supporting documents, schedules, and worksheets until the statute of limitations has expired for each return. Generally, this is three years after the filing date or two years from the date the tax was paid, whichever is later.
- If you filed your original return and need to make changes or correct mistakes, you must file an amended Form NJ-1040NR.

## Privacy Act Notification

The Division of Taxation uses your Social Security number primarily to account for and give credit for tax payments. We also use Social Security numbers to administer and enforce all tax laws for which we are responsible.

## Federal/State Tax Agreement

The Division of Taxation and the Internal Revenue Service have entered into a Federal/State Agreement to exchange Income Tax information in order to verify the accuracy and consistency of information reported on federal and New Jersey Income Tax returns.

## Fraudulent Return

You may be liable for a penalty up to \$7,500, or imprisonment for three to five years, or both, if you deliberately fail to file a return, file a fraudulent return, or attempt to evade paying your tax.

# 2021 New Jersey Tax Table

Use this table if your New Jersey taxable income on line 38 is less than \$100,000. If your taxable income is \$100,000 or more, you must use the Tax Rate Schedules on page 43.

**Example:** Mr. and Mrs. Evans are filing a joint return. They checked filing status “2,” married/ CU couple, filing joint return. Their taxable income on line 38 of Form NJ-1040NR is \$39,875. First they find the \$39,850–\$39,900 income line. Next, they find the column for filing status “2” and read down the column. The amount shown where the income line meets the filing status column is \$628. This is the tax amount they will enter on line 39 of Form NJ-1040NR.

If Line 38 (taxable income) Is—		And Your Filing Status* Is	
At least	But Less Than	1 or 3	2, 4, or 5
<b>Your Tax is—</b>			
39,800	39,850	711	627
39,850	39,900	713	628
39,900	39,950	715	629
39,950	40,000	717	630

**\*Filing Status:**

- 1—Single;
- 2—Married/CU couple, filing joint return;
- 3—Married/CU partner, filing separate return;
- 4—Head of household; or
- 5—Qualifying widow(er)/surviving CU partner.

## Use the correct number for your filing status.

**2021 NEW JERSEY TAX TABLE (NJ-1040NR)**

If Line 38 (New Jersey Taxable Income) Is —		And You Checked Filing Status Line —		If Line 38 (New Jersey Taxable Income) Is —		And You Checked Filing Status Line —		If Line 38 (New Jersey Taxable Income) Is —		And You Checked Filing Status Line —		If Line 38 (New Jersey Taxable Income) Is —		And You Checked Filing Status Line —	
At Least	But Less Than	1 or 3	2, 4, or 5	At Least	But Less Than	1 or 3	2, 4, or 5	At Least	But Less Than	1 or 3	2, 4, or 5	At Least	But Less Than	1 or 3	2, 4, or 5
Your Tax Is—		Your Tax Is—		Your Tax Is—		Your Tax Is—		Your Tax Is—		Your Tax Is—		Your Tax Is—		Your Tax Is—	
				<b>1,000</b>				<b>2,000</b>				<b>3,000</b>			
0	50	0	0	1,000	1,050	14	14	2,000	2,050	28	28	3,000	3,050	42	42
50	100	1	1	1,050	1,100	15	15	2,050	2,100	29	29	3,050	3,100	43	43
100	150	2	2	1,100	1,150	16	16	2,100	2,150	30	30	3,100	3,150	44	44
150	200	2	2	1,150	1,200	16	16	2,150	2,200	30	30	3,150	3,200	44	44
200	250	3	3	1,200	1,250	17	17	2,200	2,250	31	31	3,200	3,250	45	45
250	300	4	4	1,250	1,300	18	18	2,250	2,300	32	32	3,250	3,300	46	46
300	350	5	5	1,300	1,350	19	19	2,300	2,350	33	33	3,300	3,350	47	47
350	400	5	5	1,350	1,400	19	19	2,350	2,400	33	33	3,350	3,400	47	47
400	450	6	6	1,400	1,450	20	20	2,400	2,450	34	34	3,400	3,450	48	48
450	500	7	7	1,450	1,500	21	21	2,450	2,500	35	35	3,450	3,500	49	49
500	550	7	7	1,500	1,550	21	21	2,500	2,550	35	35	3,500	3,550	49	49
550	600	8	8	1,550	1,600	22	22	2,550	2,600	36	36	3,550	3,600	50	50
600	650	9	9	1,600	1,650	23	23	2,600	2,650	37	37	3,600	3,650	51	51
650	700	9	9	1,650	1,700	23	23	2,650	2,700	37	37	3,650	3,700	51	51
700	750	10	10	1,700	1,750	24	24	2,700	2,750	38	38	3,700	3,750	52	52
750	800	11	11	1,750	1,800	25	25	2,750	2,800	39	39	3,750	3,800	53	53
800	850	12	12	1,800	1,850	26	26	2,800	2,850	40	40	3,800	3,850	54	54
850	900	12	12	1,850	1,900	26	26	2,850	2,900	40	40	3,850	3,900	54	54
900	950	13	13	1,900	1,950	27	27	2,900	2,950	41	41	3,900	3,950	55	55
950	1,000	14	14	1,950	2,000	28	28	2,950	3,000	42	42	3,950	4,000	56	56



2021 NEW JERSEY TAX TABLE (NJ-1040NR)

Table with 16 columns: If Line 38 (New Jersey Taxable Income) Is, And You Checked Filing Status Line, and corresponding tax values for various income brackets (16,000 to 21,950).



2021 NEW JERSEY TAX TABLE (NJ-1040NR)

Table with 16 columns: If Line 38 (New Jersey Taxable Income) Is, And You Checked Filing Status Line, If Line 38 (New Jersey Taxable Income) Is, And You Checked Filing Status Line, If Line 38 (New Jersey Taxable Income) Is, And You Checked Filing Status Line, If Line 38 (New Jersey Taxable Income) Is, And You Checked Filing Status Line. Rows include tax brackets from 40,000 to 42,950 and 43,000 to 46,950, and 47,000 to 51,950.



2021 NEW JERSEY TAX TABLE (NJ-1040NR)

Table with columns: If Line 38 (New Jersey Taxable Income) Is, And You Checked Filing Status Line, and corresponding tax amounts for various income brackets from 64,000 to 69,950.







# New Jersey Tax Rate Schedules 2021

**FILING STATUS:** Single  
Married/CU partner, filing separate return

## Table A

		STEP 1	STEP 2	STEP 3		
If Taxable Income (Line 38) is:		Enter Line 38	Multiply Line 38 by:		Subtract	Your Tax
Over	But not over					
\$ 0	\$ 20,000	_____	× .014 = _____	-\$ 0	= _____	
\$ 20,000	\$ 35,000	_____	× .0175 = _____	-\$ 70.00	= _____	
\$ 35,000	\$ 40,000	_____	× .035 = _____	-\$ 682.50	= _____	
\$ 40,000	\$ 75,000	_____	× .05525 = _____	-\$ 1,492.50	= _____	
\$ 75,000	\$ 500,000	_____	× .0637 = _____	-\$ 2,126.25	= _____	
\$ 500,000	\$ 1,000,000	_____	× .0897 = _____	-\$ 15,126.25	= _____	
\$ 1,000,000	and over	_____	× .1075 = _____	-\$ 32,926.25	= _____	

**FILING STATUS:** Married/CU couple, filing joint return  
Head of household  
Qualifying widow(er)/surviving CU partner

## Table B

		STEP 1	STEP 2	STEP 3		
If Taxable Income (Line 38) is:		Enter Line 38	Multiply Line 38 by:		Subtract	Your Tax
Over	But not over					
\$ 0	\$ 20,000	_____	× .014 = _____	-\$ 0	= _____	
\$ 20,000	\$ 50,000	_____	× .0175 = _____	-\$ 70.00	= _____	
\$ 50,000	\$ 70,000	_____	× .0245 = _____	-\$ 420.00	= _____	
\$ 70,000	\$ 80,000	_____	× .035 = _____	-\$ 1,154.50	= _____	
\$ 80,000	\$ 150,000	_____	× .05525 = _____	-\$ 2,775.00	= _____	
\$ 150,000	\$ 500,000	_____	× .0637 = _____	-\$ 4,042.50	= _____	
\$ 500,000	\$ 1,000,000	_____	× .0897 = _____	-\$ 17,042.50	= _____	
\$ 1,000,000	and over	_____	× .1075 = _____	-\$ 34,842.50	= _____	

## When You Need Information...

### by phone...

#### Call our Automated Tax Information System

1-800-323-4400 – (within NJ, NY, PA, DE, and MD) or (609) 826-4400. Touch-tone phones only.

- Listen to recorded tax information on many topics.
- Order certain forms and publications through our message system.

#### Contact our Customer Service Center

(609) 292-6400 – Speak directly to a representative for tax information and assistance. See website for hours of operation.

#### Deaf, Hard of Hearing, Deaf-Blind, Speech Disability

Visit [njrelay.com](http://njrelay.com) or call 711.

### online...

#### Visit the NJ Division of Taxation Website

Many State tax forms and publications are available on our website at:

[nj.gov/taxation](http://nj.gov/taxation)

You can also reach us by email with general State tax questions at:

[nj.taxation@treas.nj.gov](mailto:nj.taxation@treas.nj.gov)

Do not include confidential information such as Social Security or federal tax identification numbers, liability or payment amounts, dates of birth, or bank account numbers in your email.

Subscribe to *NJ Tax E-News*, the Division of Taxation's online information service, at:

[nj.gov/treasury/taxation/listservic.shtml](http://nj.gov/treasury/taxation/listservic.shtml)

### in person...

#### Visit a Regional Information Center

Regional Information Centers provide individual assistance at various locations throughout the State. Call the Automated Tax Information System or visit our website for the address of the center nearest you.

### To Get Forms...

- Call New Jersey's Forms Request System at 1-800-323-4400 (within NJ, NY, PA, DE, and MD) or (609) 826-4400. Touch-tone phones only
- Visit our website at: [nj.gov/treasury/taxation/prntgit.shtml](http://nj.gov/treasury/taxation/prntgit.shtml)
- Write to: NJ Division of Taxation  
Taxpayer Forms Services  
PO Box 269  
Trenton, NJ 08695-0269

### Who Can Help...

Trained volunteers in the VITA (Volunteer Income Tax Assistance) and TCE (Tax Counseling for the Elderly) programs are available to help prepare both federal and State returns at locations throughout New Jersey. For the location nearest you, contact the Division's Customer Service Center at (609) 292-6400 or the Internal Revenue Service.

### Paperless Filing...

You can use NJ E-File to file Form NJ-1040NR for 2021 electronically. Use tax software you purchase, go to a tax preparation website, or have a tax preparer file the return for you.

## Taxpayers' Bill of Rights

The New Jersey Taxpayers' Bill of Rights simplifies tax administration and ensures that all taxpayers are better informed and receive fair and equitable treatment during the tax collection process. Highlights of the Taxpayers' Bill of Rights include:

#### Service–

- Division must respond to taxpayers' questions within a reasonable time period.
- Notices of taxes and penalties due must clearly identify the purpose of the notice and must contain information about appeal procedures.

#### Appeals–

- Time to appeal to the Tax Court is generally 90 days.

#### Interest on Refunds–

- Interest is paid at the prime rate on refunds for all taxes when the Division takes more than six months to send you a refund.
- You can request that your overpayment of this year's tax be credited towards next year's tax liability; however, interest will not be paid on overpayments that are credited forward.

For more information on the rights and obligations of both taxpayers and the Division of Taxation under the Taxpayers' Bill of Rights, see publication [ANJ-1](#), *New Jersey Taxpayers' Bill of Rights*.

- A Accounting Method 6**
  - Age, Exemption for **5**
  - Alimony **6, 18, 23**
  - Allocation—
    - Business Income **30**
    - Salary/Wages **29**
  - Alternative Business Calculation Adjustment **24**
  - Amended Returns **33**
  - Amount You Owe **27**
  - Annuities **11**
  - Archer MSAs **7, 22**
  - Awards, Prizes **6, 18**
- B Basis 28**
  - Beneficiaries **18**
  - Blindness, Exemption for **5**
  - Business Income **11, 15**
- C Cafeteria Plans 7**
  - Capital Gains and Losses **11, 28**
  - Capital Gains Distributions **10, 29**
  - Child Support **7, 18, 23**
  - Civil Unions **3, 4**
  - Collection Fees **30**
  - Commuter Transportation Benefits **7**
  - Contributions to NJ Charitable Funds **27**
  - Credit for Employer of Organ/Bone Marrow Donor **25**
  - Credit From 2020 Return **26**
- D Deceased Taxpayers 32**
  - Dependents **5**
  - Disability—
    - Exemption for **5**
    - Income **7, 12**
  - Disability Insurance Contributions, Excess Withheld **26**
  - Dividends **10**
  - Domestic Partnership **4**
  - Domicile **3**
  - Driver's License **6**
- E Early Retirement Benefits 12**
  - Employee Business Expenses **8**
  - Estates and Trusts **18**
  - Estimated Tax **26**
  - Exemptions **5**
  - Extension of Time to File **3**
- F Family Leave Insurance Benefits 7**
  - Family Leave Insurance Contributions, Excess Withheld **26**
  - Federal/State Tax Agreement **33**
  - Filing Requirements **2**
  - Filing Status **4**
  - Fiscal Year **3**
  - 401(k) Plans **14**
  - Fraudulent Return **33**
- G Gains and Losses From Disposition of Property 11, 28**
  - Gambling Winnings **11**
  - Gold Star Family Counseling Credit **25**
  - General Rule Method **14**
  - Gubernatorial Elections Fund Check-Off **6**
- H Health Enterprise Zone Deduction 23**
  - Home, Sale of **28**
  - How to Pay **30**
- I Income—**
  - Defined **6**
  - Exclusions **19**
  - Exempt **7**
  - In Respect of Decedent **18**
  - New Jersey Source **6**
  - Percentage **24**
  - Installment Sales **28**
  - Interest Income **9**
  - Interest on Tax Due **30**
  - IRA—
    - Contributions **14**
    - Roth **14**
    - Withdrawals **14**
- K Keogh Plan 12**
- L Lottery Winnings 11**
  - Lump-Sum Distributions **14**
- M Meals and Lodging 8**
  - Medical Expenses **22**
  - Military Personnel (and Spouses) **31**
    - Pensions, Military **12**
  - Moving Expenses **9**
  - Mutual Funds, Reporting Dividends From **10**
- N Nonresident, Defined 2**
- O Organ/Bone Marrow Donation Deduction 24**
  - Organ/Bone Marrow Donor Employer Credit **25**
  - Other Retirement Income Exclusion **19**
  - Overpayment **27**
- P Part-Year Residents/Nonresidents 2, 4**
  - Partners and Partnerships—
    - Pension Income (NJK-1) **12**
    - Share of Income **15, 17**
    - Tax Paid on Your Behalf **26**
  - Pass-Through Business Alternative Income Tax Credit **27**
  - Penalties—
    - Early Withdrawal of Savings **10**
    - On Tax Due **30**
    - Underpayment of Estimated Tax **25**
  - Pennsylvania Residents **32**
  - Pension/Retirement Exclusion **19**
  - Pensions **11**
  - Postmark Date **3**
  - Privacy Act Notification **33**
  - Prizes, Awards **6, 18**
- Q Qualified Conservation Contributions 23**
  - Qualified Investment Fund **29**
- R Refunds 7, 28**
  - Rental Income **11, 16**
  - Residency Period **4**
  - Resident, Defined **2**
  - Rollovers **14**
  - Roth IRAs **14**
  - Rounding Off to Whole Dollars **3**
  - Royalties **11, 16**
- S S Corporations 15, 17**
  - Sale of Home **28**
  - Scholarships and Fellowships **18**
  - Self-Employed Health Insurance Deduction **22**
  - Sheltered Workshop Tax Credit **24**
  - Sick Pay **7, 9**
  - Signatures **30**
  - Social Security Number **4**
  - Social Security Benefits—
    - Exclusion for Persons Not Receiving **22**
    - Taxability of **12**
  - Statutory Employees **9**
  - Students—
    - Dependents Attending Colleges **5**
- T Tax—**
  - Preparers **30**
  - Rate Schedules **43**
  - Table **34**
  - Withheld **25**
  - Tax Assistance **44**
  - Taxpayers' Bill of Rights **44**
  - Three-Year Rule Method **14**
  - Trusts and Estates **18**
- U UI/WF/SWF, Excess Withheld 26**
  - Unemployment Compensation **7**
- V Veteran, Exemption for 5**
- W Wage and Tax Statement (W-2) 8**
  - Wages **8**
  - When to File **3**
  - Where to Mail Your Return **31**
  - Which Form to File **2**
  - Who Must File **2**