



Part-Year Residents

Bulletin GIT-6

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Important Changes

- *Eligibility for the New Jersey Earned Income Tax Credit (NJEITC) has been expanded so that for 2007 taxpayers who are eligible and file for a Federal earned income credit can also receive a New Jersey credit in the amount equal to 20% of their Federal benefit. The percentage used to calculate the NJEITC will increase to 22.5% for tax year 2008 and to 25% of the Federal benefit for tax years 2009 and thereafter.*
- *Any reference in this bulletin to a spouse also refers to a partner to a civil union (CU) recognized under New Jersey law.*

Introduction

Part-year residents are subject to tax on income received from all sources (both inside and outside New Jersey) during the portion of the year that they were residents of the State. Likewise, part-year nonresidents are subject to tax on any income received from New Jersey sources while they were nonresidents. This bulletin explains:

- Who is a part-year resident/part-year nonresident for New Jersey income tax purposes, as well as who is a full-year resident or nonresident;
- What your New Jersey income tax responsibilities are as a part-year resident/part-year nonresident;
- How to complete a part-year New Jersey income tax return; and
- When a part-year resident must file both resident and nonresident income tax returns with New Jersey in the same tax year.

NOTE: This bulletin covers filing requirements for individual residents and nonresidents only. The examples illustrate how to prepare part-year returns for tax year 2007. Thus, the forms and amounts (tax rates, income exclusions, etc.) shown in the text and examples may not reflect current information in subsequent tax years.

For information on estates and trusts, see the instructions for the New Jersey Gross Income Tax Fiduciary Return (Form NJ-1041).

Definitions

For New Jersey income tax purposes, your residency status depends on where you were domiciled and where you maintained a permanent place of abode during the tax year. In general, when you change your domicile to (or from) this State during the year, you are a resident of New Jersey for part of the year (part-year resident) and a nonresident of New Jersey for part of the year (part-year nonresident). Your move is generally considered a change of residency status (resident to nonresident or vice versa) if at the time you moved, you intended to permanently leave one home and establish a new, fixed, and permanent home somewhere else.

Full-Year Resident

You were a full-year New Jersey resident if:

- New Jersey was your domicile for the entire year, and you did not satisfy all three conditions for nonresident status (below); or
- New Jersey was not your domicile, but you maintained a permanent place of abode in New Jersey for the entire year and you spent more than 183 days in New Jersey. (Members of the U.S. Armed Forces stationed in New Jersey who are not domiciled here are not residents under this definition.)

Full-Year Nonresident

You were a full-year New Jersey nonresident if:

- New Jersey was not your domicile, and you spent 183 days or less here; or
- New Jersey was not your domicile, you spent more than 183 days here, but you did not maintain a permanent home here; or
- New Jersey was your domicile and you met all three of the following conditions for the entire year:

1. You did not maintain a permanent place of abode in New Jersey; and
2. You did maintain a permanent place of abode outside of New Jersey; and
3. You did not spend more than 30 days in New Jersey.

Part-Year Resident/Part-Year Nonresident

If, as a result of a change of your domicile, you met the definition of New Jersey resident or nonresident for only part of the year, you are a resident for part of the year (*part-year resident*) and a nonresident for the remainder of that year (*part-year nonresident*).

Domicile is any place you regard as your permanent home—the place to which you intend to return after a period of absence (e.g., vacation abroad, business assignment, educational leave, etc.). You have only one domicile, although you may have more than one place to live. Once established, your domicile continues until you move to a new location with the intent to establish a fixed and permanent home there. Moving to a new location, even for a long time, does not change your domicile if you intend to remain only for a limited time.

Domicile is based on many factors, including your intent, where you register to vote, maintain a driver's license and vehicle registration, have family ties, etc. *You can have only one domicile at a time.* The burden of proof is upon the person asserting a change of domicile to show that the necessary intention existed to abandon his or her domicile in one location and to establish a fixed and permanent home in another.

Permanent place of abode is a residence (a building or structure where a person can live) that you maintain permanently as your household, whether you own it or not. It usually includes a residence your spouse/civil union partner owns or leases.

A residence, whether inside or outside of New Jersey, is not *permanent* if you maintain it only during a temporary or limited period of time, no matter how long, for the accomplishment of a particular purpose (e.g., temporary job assignment). Likewise, a home used only for vacations is not a permanent place of abode.

If New Jersey is your domicile, you will be considered a resident for New Jersey tax purposes *unless* you meet all three conditions for nonresident status. See *Full-Year Nonresident* on page 2. Likewise, if New Jersey is not your domicile, you will be considered a New Jersey resident only if you maintain a *permanent* place of abode in New Jersey and spend more than 183 days here.

Filing Requirements

Your filing status and gross income determine whether you have to file a New Jersey income tax return. Age is not a factor in determining whether a person must file. Even minors (including students) and senior citizens must file if they meet the income filing requirements.

To find out whether or not you are required to file a New Jersey income tax return, use the “Who Must File” chart in either the resident (NJ-1040) or nonresident (NJ-1040NR) return booklet.

Time Period Covered by Return (Full-Year or Part-Year)

The period covered by your return will be twelve months (full-year return), or less than twelve months (part-year return). Most taxpayers use a calendar year (January 1–December 31) to record their income. Fiscal year filers use a different period (e.g., July–June). This bulletin assumes that you are a calendar year filer.

New Jersey has two personal income tax returns for individuals: Form NJ-1040 for residents and Form NJ-1040NR for nonresidents. New Jersey does not have separate tax returns for part-year residents or part-year nonresidents. You must use either Form NJ-1040 or Form NJ-1040NR (or both) depending on your residency status during the year, and show the income you received during the period of time covered by the return. Part-year residents use the same form as full-year residents (Form NJ-1040) and indicate the period of their New Jersey residency above Line 1. The return should show only the income received during that period. Likewise, part-year nonresidents use the same form as full-year nonresidents (Form NJ-1040NR), and indicate above Line 1 the period of time they were New Jersey residents.

If you file a part-year nonresident return, you will *also* file a part-year resident return, unless you had no income during the part of the year you were a resident. You must allocate your income between the resident and nonresident returns as appropriate. That is, report the income you received during the time you were a resident on your part-year resident return, and report the income you received during the part of the year you were a nonresident on your part-year nonresident return.

Examples

1. Mary Smith was a New Jersey resident from January 1 through December 31. She files a “full-year” resident return which shows income received during the twelve-month period January–December.
2. Harry and Louise Evans were New Jersey residents from May 1 to December 31. They must file a “part-year” resident return and report the income they received during their period of residency (May–December).

NOTE: If they had income from New Jersey sources between January 1 and April 30, the period when their residency status was “nonresident,” they must file a New Jersey part-year nonresident return too. See *Part-Year Nonresidents* on page 6.

3. Jane Henderson was a full-year resident of New York who worked in New Jersey from July through November. She files a “full-year” nonresident return because she was a nonresident for the entire year. Her New Jersey nonresident return will show the income she received during the period she was a nonresident i.e., January–December.
4. Adam Crenshaw worked in New Jersey for the entire year. For three months of the year he was a New Jersey resident and for the remaining nine months, a Delaware resident. Adam must file two New Jersey income tax returns: (1) a “part-year” resident return which shows the income he received during the three months he was a New Jersey resident and (2) a “part-year” nonresident return which shows his income during the period he was a nonresident of New Jersey.

Residency Status and Income

Full-Year Residents—

- *You must file a full-year New Jersey resident income tax return* if you were a New Jersey resident for the entire year and your gross income for the entire year was more than \$20,000 (\$10,000 if filing status is single or married/CU partner, filing separate return).
- *You are not required to file a full-year New Jersey resident income tax return* if you were a New Jersey resident for the entire year and your gross income for the entire year was \$20,000 or less (\$10,000 or less if filing status is single or married/CU partner, filing separate return).

NOTE: If you are a full-year resident and your income is below the amount at which you would be required to file a tax return, you must file Form NJ-1040 (or file electronically using NJ WebFile or approved vendor software) to claim a refund of income tax withheld or estimated payments made. You must also file a return to receive a New Jersey earned income tax credit even if you have no tax liability to New Jersey.

Part-Year Residents—

- *You must file a part-year New Jersey resident income tax return* if you were a New Jersey resident for part of the year and your gross income from all sources for the entire year was more than \$20,000 (\$10,000 if filing status is single or married/CU partner, filing separate return) and you received any income (whether from New Jersey sources or not) during the part of the year you were a New Jersey resident.

You are subject to tax on the income shown on your part-year resident return if your gross income for the *entire* year was more than \$20,000 (\$10,000 if filing status is single or married/CU partner, filing separate return), even if the income you reported on your part-year return for the period of New Jersey residency was \$20,000 or less (\$10,000 or less if filing status is single or married/CU partner, filing separate return).

No New Jersey income tax is due if the income you received during the entire year was \$20,000 or less (\$10,000 or less if filing status is single or married/CU partner, filing separate return). If your gross income was \$20,000 or less (\$10,000 or less if filing status is single or married/CU partner, filing separate return), enclose a copy of your Federal income tax return when you file your part-year New Jersey return. If you did not file a Federal return, enclose a statement with your New Jersey return certifying that your income for the entire year was \$20,000 or less (\$10,000 or less if filing status is single or married/CU partner, filing separate return).

NOTE: When you are a part-year New Jersey resident, you are a nonresident for the remainder of that year. See the filing requirements for *Part-Year Nonresidents* on page 6.

Examples

1. During 2007, Jane Hanson, single, was a resident of California for ten months and a New Jersey resident for two months. Her income as a California resident totaled \$23,000, and the income she received during the two months she was a New Jersey resident was \$2,900. Jane is subject to tax on the \$2,900 she received as a part-year New Jersey resident because her income for the *entire* year was more than \$10,000.
2. Martha Gibson, single, was a New Jersey resident from January through September 2007, when she moved to Florida and became a resident there. Her income as a New Jersey resident totaled \$5,800 and her income while a Florida resident was \$600. Martha is not required to file a New Jersey part-year resident return, and she owes no New Jersey income tax on the \$5,800 she received as a part-year New Jersey resident because her income for the *entire* year was \$10,000 or less. However, Martha must file a return to claim any refund of New Jersey income tax that was either withheld or remitted through estimated payments. When she files her 2007 New Jersey return, Martha must enclose a copy of her Federal income tax return or, if no Federal return is filed, a statement certifying that her income for the year was \$10,000 or less.

Full-Year Nonresidents—

- *You must file a full-year New Jersey nonresident income tax return* if you were not a New Jersey resident for any part of the year and your gross income for the entire year from all sources (both inside and outside New Jersey) was more than \$20,000 (\$10,000 if filing status is single or married/CU partner, filing separate return) and you received any amount of income from New Jersey sources during the year.
- *You are not required to file a full-year nonresident return* if you were a nonresident for the entire year and your gross income from all sources (both inside and outside New Jersey)

was \$20,000 or less (\$10,000 or less if filing status is single or married/CU partner, filing separate return).

NOTE: If you are a full-year nonresident and your income is below the amount at which you would be required to file a tax return, you must file Form NJ-1040NR to claim a refund of income tax withheld or estimated payments made.

Part-Year Nonresidents—

If you were a New Jersey resident for part of the year, you were a nonresident for the remainder of that year. File part-year resident and/or nonresident returns as follows:

- *You must file both a part-year resident return and a part-year nonresident return* if your gross income from all sources for the entire year was more than \$20,000 (\$10,000 if filing status is single or married/CU partner, filing separate return) and you received income (whether from New Jersey sources or not) during the part of the year you were a resident and you received any amount of income from New Jersey sources during the part of the year you were a nonresident.

File only a part-year resident return if you received income (whether from New Jersey sources or not) during the part of the year you were a resident, but you had no income from New Jersey sources during the part of the year you were a nonresident. See *Part-Year Residents* on page 4.

- *You must file only a part-year nonresident income tax return* if your gross income from all sources for the entire year was more than \$20,000 (\$10,000 if filing status is single or married/CU partner, filing separate return)

and you had income from New Jersey sources during the part of the year you were a nonresident and you had no income during the part of the year you were a resident.

No New Jersey income tax is due if the income you received from all sources during the entire year was \$20,000 or less (\$10,000 or less if filing status is single or married/CU partner, filing separate return). If your gross income was \$20,000 or less (\$10,000 or less if filing status is single or married/CU partner, filing separate return), enclose a copy of your Federal income tax return when you file your part-year New Jersey return. If you did not file a Federal return, enclose a statement with your New Jersey return certifying that your income for the entire year was \$20,000 or less (\$10,000 or less if filing status is single or married/CU partner, filing separate return).

- *You need not file either a resident or a nonresident return* if you received no income during the part of the year you were a resident, and no income from New Jersey sources during the part of the year you were a nonresident.

Filing Status Considerations

Spouse/Civil Union Partner With Different Residency Status

In general, you must use the same filing status on your New Jersey return as you do for Federal income tax purposes. If you do not file a Federal return, but you are filing a New Jersey return, use the same filing status that you would have used if you had filed a Federal return, unless you are a partner in a civil union. For more information request Tax Topic Bulletin GIT-4, *Filing Status*.

If a married couple files a joint Federal income tax return, they must also file a joint New Jersey income tax return. If spouses file separate Federal returns, separate State returns must also be filed. However, if you are a civil union couple, your filing status for New Jersey will not match your Federal filing status for the year.

- *One spouse/civil union partner New Jersey resident, other spouse/civil union partner nonresident for entire year.* If during the entire taxable year one spouse/civil union partner was a resident and the other a nonresident, separate New Jersey returns may be filed (the resident files a resident return and the nonresident files a nonresident return), even if the couple files a joint Federal return. The resident computes income and exemptions as if a Federal married, filing separate return had been filed. The spouses/civil union partners have the option of filing a joint return as residents, in which case their joint income (from both inside and outside New Jersey) would be taxed as if both were residents.
- *Married/civil union couples, both nonresidents; only one has income from New Jersey sources.* If both spouses/civil union partners were nonresidents of New Jersey during the entire taxable year and only one earned, received, or acquired income from New Jersey sources, the one who had income from New Jersey sources may file a separate New Jersey return, even if a joint Federal return was filed. The one with income from New Jersey sources computes income and exemptions as if a Federal married, filing separate return had been filed. The married/civil union couple has the option of filing a joint return, in which case, their joint income must be shown on the

nonresident return. For more information on completing the nonresident return, see instructions for Form NJ-1040NR.

Remember: *A nonresident return must be filed if you received any amount of income from New Jersey sources as a nonresident, and your income from all sources (both inside and outside New Jersey) for the **entire** year was more than \$20,000 (\$10,000 if filing status is single or married/CU partner, filing separate return).*

How Residents and Nonresidents Are Taxed

Residents. New Jersey residents are subject to tax on their income from all sources, whether the income is from inside or outside of New Jersey. As a part-year New Jersey resident you must report on your resident return all the income you received during the period of time you were a New Jersey resident, whether in the form of money, goods, property, benefits, or services, unless specifically excluded by law. Married/civil union couples filing jointly must report the income of both spouses/civil union partners.

The following are some examples of income you must report if earned or received *while you were a resident of New Jersey*: wages, fees, or commissions earned in New Jersey or elsewhere (including a foreign country); interest received on a bank account whether located in or out of New Jersey; gain from the sale of property both in and out of New Jersey; lottery winnings from any state other than New Jersey; net profits from business, regardless of where the business is located; etc.

Remember: *When completing your part-year resident return, report only the income you received during the time period covered by your resident return.*

Part-year residents must prorate all exemptions, deductions, and credits, as well as the pension and other retirement income exclusions, to reflect the period covered by their return. For example, a full-year New Jersey resident is entitled to a \$1,000 personal exemption; whereas a resident for six months is entitled to a personal exemption of only \$500. See *Completing a Part-Year Resident Return* on page 9.

For more information on completing the resident return, see the instructions for Form NJ-1040.

Nonresidents. For nonresidents, New Jersey income tax liability is based on the percentage of their total income that comes from New Jersey.

The income section of the New Jersey nonresident return has two columns—Column A, income from everywhere and Column B, income from New Jersey sources. In the first column, report your income from all sources (both inside and outside New Jersey) as if you were a resident, and in the second column, list only income that was derived from New Jersey sources.

Pennsylvania residents see page 19.

In accordance with Federal legislation (Service-members Civil Relief Act, P.L. No. 108-189) nonresident servicepersons are *not* required to include their military pay in either their “income from everywhere” (Column A) or “income from New Jersey Sources” (Column B) on the New Jersey nonresident income tax return. For more information, request Tax Topic Bulletin GIT-7, *Military Personnel*.

Remember: *When completing your part-year nonresident return, report in each column only the income you received during the time period covered by your nonresident return.*

As a nonresident, your tax is computed on your income from all sources as if you were a New Jersey resident, and then prorated according to the ratio that your New Jersey income bears to your income from both inside and outside New Jersey. In other words, your final New Jersey income tax liability is based on the percentage of your income that comes from New Jersey.

For more information on completing the nonresident return, see the instructions for Form NJ-1040NR.

COMPLETING A PART-YEAR RESIDENT RETURN

Important Points:

- Enter dates of your New Jersey residency above Line 1.
- Report income, withholdings, and payments *for period of New Jersey residency only*.
- Prorate exemptions, deductions, and exclusions based on residency period.
- If you also complete a part-year nonresident return, allocate your income, withholdings, and payments between the two returns as appropriate.

| | | | | | | | | | | |
|----------------------------|---|------|---|---|---|----|---|---|---|---|
| NJ RESIDENCY STATUS | If you were a New Jersey resident for ONLY part of the taxable year, give the period of New Jersey residency: | From | <input style="width: 20px; height: 20px;" type="text"/> <input style="width: 20px; height: 20px;" type="text"/> | / | <input style="width: 20px; height: 20px;" type="text"/> <input style="width: 20px; height: 20px;" type="text"/> | To | <input style="width: 20px; height: 20px;" type="text"/> <input style="width: 20px; height: 20px;" type="text"/> | / | <input style="width: 20px; height: 20px;" type="text"/> <input style="width: 20px; height: 20px;" type="text"/> | <input style="width: 20px; height: 20px;" type="text"/> <input style="width: 20px; height: 20px;" type="text"/> |
|----------------------------|---|------|---|---|---|----|---|---|---|---|

1. NJ Residency Status. Show the beginning and ending dates of your residency in New Jersey during the year. If you were a resident for 15 days or more of a month, that month

counts as a month of residence. For example, if you were a New Jersey resident from January 27, 2007, to July 21, 2007, you were a resident for six months.

| | | | | | |
|--|-----|---|---|---|---|
| 14. Wages, salaries, tips, and other employee compensation (Enclose W-2) | 14 | <input style="width: 20px; height: 20px;" type="text"/> |
| 15a. Taxable interest income (See instructions) | 15a | <input style="width: 20px; height: 20px;" type="text"/> |
| 15b. Tax-exempt interest income (See instructions) DO NOT include on Line 15a | 15b | <input style="width: 20px; height: 20px;" type="text"/> |
| 16. Dividends | 16 | <input style="width: 20px; height: 20px;" type="text"/> |
| 17. Net profits from business (Enclose copy of Federal Schedule C, Form 1040) | 17 | <input style="width: 20px; height: 20px;" type="text"/> |
| 18. Net gains or income from disposition of property (Schedule B, Line 4) | 18 | <input style="width: 20px; height: 20px;" type="text"/> |
| 19. Pensions, Annuities, and IRA withdrawals (See Instructions) | 19 | <input style="width: 20px; height: 20px;" type="text"/> |
| 20. Distributive Share of Partnership Income (See instructions) | 20 | <input style="width: 20px; height: 20px;" type="text"/> |
| 21. Net pro rata share of S Corporation Income (See instructions) | 21 | <input style="width: 20px; height: 20px;" type="text"/> |
| 22. Net gain or income from rents, royalties, patents & copyrights (Schedule C, Line 3) | 22 | <input style="width: 20px; height: 20px;" type="text"/> |
| 23. Net Gambling Winnings | 23 | <input style="width: 20px; height: 20px;" type="text"/> |
| 24. Alimony and separate maintenance payments received | 24 | <input style="width: 20px; height: 20px;" type="text"/> |
| 25. Other (See instructions) | 25 | <input style="width: 20px; height: 20px;" type="text"/> |

2. Income. Complete Lines 14–25. Enter the total amount you received in each category

of income during your period of residency in New Jersey (dates shown above Line 1).

Railroad Retirement benefits. *Do not* complete Worksheet D in the NJ-1040 instruction booklet to calculate the total exclusion amount you are eligible to claim. Instead, calculate your total exclusion as follows:

Part I. Total the earned income (wages, net profits from business, partnership income, and S corporation income) you received for the *entire* year. If your earned income for the entire year was \$3,000 or less and you did not use your entire *prorated* pension exclusion at Line 27a, you may be able to use the unclaimed pension exclusion at Line 27b provided total income for the entire year before subtracting any pension exclusion was \$100,000 or less.

Part II. If you are unable to receive Social Security or Railroad Retirement benefits, but would have been eligible for benefits had you fully participated in either program, you may also be eligible for an additional exclusion, whether or not you used all of your *prorated* pension exclusion on Line 27a.

NOTE: When you and your spouse/civil union partner file a joint return and only one of you is 62 or older or disabled, you may claim the full amount of the prorated exclusion. However, only the income of the one who is age 62 or older or disabled may be excluded.

More Information. For more detailed information on pension, annuity, and IRA withdrawal income and the New Jersey income exclusions, request Tax Topic Bulletins GIT-1, *Pensions and Annuities*, and GIT-2, *IRA Withdrawals*. For information on Roth IRAs, request Technical Bulletin TB-44, *Roth IRAs*. For information on calculating your partnership and S corporation income, request Tax Topic Bulletin GIT-9P, *Income From Partnerships*, and GIT-9S, *Income From S Corporations*.

| | | | | | | | | | | |
|---|----|--|--|---|--|--|--|---|--|--|
| 29. Total Exemption Amount (See instructions to calculate amount) (Part-Year Residents see instructions) | 29 | | | , | | | | . | | |
| 30. Medical Expenses (See Worksheet and instructions) | 30 | | | , | | | | . | | |
| 31. Alimony and Separate Maintenance Payments | 31 | | | , | | | | . | | |
| 32. Qualified Conservation Contribution | 32 | | | , | | | | . | | |
| 33. Health Enterprise Zone Deduction | 33 | | | , | | | | . | | |
| 34. Total Exemptions and Deductions (Add Lines 29, 30, 31, 32, and 33) | 34 | | | , | | | | . | | |
| 35. Taxable Income (Subtract Line 34 from Line 28) If zero or less, MAKE NO ENTRY. | 35 | | | , | | | | . | | |

4. Exemptions. You must prorate the exemption allowance amount based upon the number of months you were a New Jersey resident. For this calculation, 15 days or more is a month. First determine the full value of your exemptions as follows:

From Line 12a ____ × \$1,000 = _____
 From Line 12b ____ × \$1,500 = _____
 Total Exemption Amount _____

Once you have calculated your Total Exemption Amount, use the formula below and then enter the prorated exemption amount on Line 29.

PRORATING THE EXEMPTION ALLOWANCE:

$$\text{Total Exemption Amount} \times \frac{\text{Months of NJ Residence}}{12} = \text{Prorated Exemption Amount}$$

5. Deductions.

(a) *Medical Expenses (Line 30).* You may deduct certain medical expenses for which you were not reimbursed by insurance or any other plan, qualified Archer medical savings account (MSA) contributions, and health insurance costs of the self-employed. Complete Worksheet E in the resident return (Form NJ-1040) instruction booklet to calculate your deduction for medical expenses. Include only those expenses that were incurred and paid during the period of time you were a New Jersey resident.

(b) *Alimony and Separate Maintenance Payments (Line 31).* You may deduct alimony

and separate maintenance payments paid for the period of time you were a New Jersey resident. Child support payments are not deductible.

(c) *Qualified Conservation Contribution (Line 32).* You may deduct the amount of any qualified conservation contribution you made during the period of time you were a New Jersey resident.

(d) *Health Enterprise Zone (Line 33).* Eligible taxpayers engaged in providing “primary care” medical and/or dental services at a qualified practice located in or within five miles of a designated Health Enterprise

Zone (HEZ) may qualify for a deduction. For information on eligibility requirements and how to calculate the HEZ deduction, see Technical Bulletin TB-56, *Health Enterprise Zones*.

NOTE: New Jersey does not allow deductions for adjustments taken on the Federal return such as employee business expenses or IRA and Keogh Plan contributions.

36a. Total Property Taxes Paid

36b. Fill in oval if you were a New Jersey homeowner on October 1, 2007.

36c. Property Tax Deduction (See instructions)

Schedule 1 – Property Tax Deduction/Credit

Complete both columns of this schedule to find out whether the Property Tax Deduction or the Property Tax Credit is better for you. **Do not complete this schedule if you claim a credit for taxes paid to other jurisdictions.** Complete Schedule A and Worksheet F.

- Property Tax.** Enter the property taxes you paid in 2007 from Line 36a of Form NJ-1040. Property tax reimbursement (Senior Freeze) applicants do not enter the amount from Line 36a. **See instructions.** 1. _____
- Property Tax Deduction.** Enter the amount from Line 1 of this schedule or \$10,000, whichever is less. Also enter this amount on Line 4, Column A below. **See instructions.** 2. _____

- Taxable Income (Copy from Line 35 of Form NJ-1040)
- Property Tax Deduction (Copy from Line 2 of this schedule)
- Taxable Income After Property Tax Deduction (Subtract Line 4 from Line 3)
- Tax you would pay on Line 5 amount (enter amount from Tax Table/Tax Rate Schedules)
- Subtract Line 6, Column A from Line 6, Column B and enter the result here

| | Column A | Column B |
|----|----------|----------|
| 3. | | 3. |
| 4. | | 4. - 0 - |
| 5. | | 5. |
| 6. | | 6. |
| 7. | | 7. |

- Is the Line 7 amount \$50 or more (\$25 if filing status is married/CU partner, filing separate return and you maintain the same residence as your spouse/CU partner)?**

Yes. You receive a greater tax benefit by taking the Property Tax Deduction. Make the following entries on Form NJ-1040.

| | |
|---------------------|---------------------------|
| <i>Form NJ-1040</i> | <i>Enter amount from:</i> |
| Line 36c | Line 4, Column A |
| Line 37 | Line 5, Column A |
| Line 38 | Line 6, Column A |
| Line 48 | Make no entry |

No. You receive a greater tax benefit from the Property Tax Credit. (**Part-year residents**, see instructions before answering "No.") Make the following entries on Form NJ-1040.

| | |
|---------------------|--|
| <i>Form NJ-1040</i> | <i>Enter amount from:</i> |
| Line 36c | Make no entry |
| Line 37 | Line 5, Column B |
| Line 38 | Line 6, Column B |
| Line 48 | \$50 (\$25 if filing status is married/CU partner, filing separate return and you maintain the same residence as your spouse/CU partner). Part-year residents , see instructions. |

6. Total Property Taxes Paid (Line 36a). Enter the property taxes, or rent constituting property taxes (18% of rent), due and paid on your qualified residence during your period of residency in New Jersey.

Homeowner on October 1, 2007 (Line 36b). If you owned and occupied a home in New Jersey that was your principal residence on October 1, 2007, and property taxes were paid on that dwelling, fill in the

oval on this line. Do not fill in the oval if, on October 1, 2007, you were a tenant or you were not a homeowner.

Property Tax Deduction/Credit (Line 36c/Line 48). A part-year resident may be eligible to claim a deduction or credit for property taxes, or rent constituting property taxes (18% of rent), due and paid during their period of residency. If you do not claim credit for taxes paid to another jurisdiction, complete Schedule 1 to determine the amount of your property tax deduction and whether you should elect to take the property tax deduction on Line 36c, Form NJ-1040 or the property tax credit on Line 48. If you claim credit for taxes paid to another jurisdiction, complete Schedule A and Worksheet F to make this determination. Enter on Line 1 of Schedule 1 the amount of property taxes or 18% of rent due and paid during your period of residency from Line 36a, Form NJ-1040. Complete the balance of the schedule according to the instructions. The minimum benefit for a full-year resident is \$50. You

must prorate this minimum benefit based on the number of months you were a New Jersey resident. For this calculation, 15 days or more is a month. You must also prorate if your filing status is married/CU partner, filing separate return. After prorating the \$50 minimum benefit, answer the question at Line 8 of Schedule 1 based on this prorated amount rather than the \$50 amount. You will then be able to determine whether you will receive a greater tax benefit by taking the property tax deduction or claiming the prorated credit.

More Information. For information on claiming credit for taxes paid to another jurisdiction, request Tax Topic Bulletin GIT-3W, *Credit for Taxes Paid to Other Jurisdictions (Wage Income)*, and GIT-3B, *Credit for Taxes Paid to Other Jurisdictions (Business/Nonwage Income)*. For more detailed information on the property tax deduction/credit, see the instructions contained in the resident return (Form NJ-1040) instruction booklet.

| | | | | | | | | | |
|---|----|--|--|--|--|--|--|--|--|
| 41. Balance of Tax (From Line 40, Page 2) | 41 | | | | | | | | |
| 42. Sheltered Workshop Tax Credit | 42 | | | | | | | | |
| 43. Balance of Tax after Credit (Subtract Line 42 from Line 41) | 43 | | | | | | | | |

7. Sheltered Workshop Tax Credit. Enter the amount of your Sheltered Workshop Tax Credit from Part IV, line 12 of Form

GIT-317. Allocate the total amount of the credit between your part-year resident and part-year nonresident returns if appropriate.

| | | | | | | | | | | | | |
|---|----|--|---|--|--|---|----|--|--|--|--|--|
| 47. Total New Jersey Income Tax Withheld (Enclose Forms W-2 and 1099) | 47 | | , | | | , | | | | | | |
| 48. Property Tax Credit (See instructions) | | | | | | | 48 | | | | | |
| 49. New Jersey Estimated Tax Payments/Credit from 2006 tax return | 49 | | , | | | , | | | | | | |
| 50. New Jersey Earned Income Tax Credit (See instructions) | | | | | | | 50 | | | | | |
| Fill in Fill in oval if you had the IRS figure your Federal Earned Income Credit | | | | | | | | | | | | |
| only one Fill in oval if you are a CU couple claiming the NJ Earned Income Tax Credit | | | | | | | | | | | | |
| 51. EXCESS New Jersey UI/WF/SWF Withheld (See instructions) (Enclose Form NJ-2450) | | | | | | | 51 | | | | | |
| 52. EXCESS New Jersey Disability Insurance Withheld (See instructions) (Enclose Form NJ-2450) | | | | | | | 52 | | | | | |
| 53. Total Payments/Credits (Add Lines 47 through 52) | 53 | | , | | | , | | | | | | |

8. Tax Withheld/Property Tax Credit/ Estimated Payments.

(a) *Line 47.* Enter the amount of New Jersey income tax withheld from wages you earned or other payments you received while you were a New Jersey resident. If your employer combined wages you earned as a resident and wages you earned as a nonresident on the same W-2, and you earned some of those wages from New Jersey while a nonresident, include here only tax withheld during the period you were a resident. Allocate the New Jersey income tax withheld between your part-year resident and part-year nonresident returns. If you did not earn any of the wages on the W-2 while a nonresident, report the total New Jersey tax withheld on the W-2.

(b) *Line 48.* If you are claiming a property tax credit rather than a property tax deduction, enter the amount of your prorated credit.

(c) *Line 49.* Enter the amount of estimated payments to New Jersey for the period of time you were a resident. If you made estimated payments both as a resident and as a nonresident, enter on your part-year resident return the payment(s) made to meet the tax liability for your period of New Jersey residency. Enter on the part-year nonresident return the payment(s) made to satisfy your tax liability during the part of the year you were a nonresident. Also enter amounts, if any, paid to qualify for an extension of time to file.

Earned Income Tax Credit Schedule

(Keep for your records)

1. Enter the amount of your Federal earned income credit from your 2007 Federal Form 1040 or Form 1040A 1. _____
Fill in the first oval below Line 50 if you asked the IRS to calculate your Federal earned income credit. Civil union couples, see instructions.
2. Enter 20% of amount on line 1 here and on Line 50, Form NJ-1040. **Part-year residents, see instructions** 2. _____

9. New Jersey Earned Income Tax Credit (Line 50). If you are eligible and file for a Federal earned income credit, you can also receive a New Jersey credit in the amount equal to 20% of your Federal benefit. Complete the Earned Income Tax Credit Schedule to calculate the amount for Line 50, Form NJ-1040. However, you must prorate your credit based on the number of months you were a New Jersey resident. For this calculation 15 days or more is a month.

You must file Form NJ-1040 to receive a New Jersey earned income tax credit, even if you are not required to file a return because your gross income is below the minimum income threshold (see *Part-Year Residents* on page 4).

NOTE: If your filing status is married/CU partner, filing separate return, you may not claim a New Jersey earned income tax credit.

If you asked the Internal Revenue Service to calculate your Federal earned income credit, be sure to fill in the first oval below Line 50,

Form NJ-1040. (Civil union couples should not fill in this oval even if one or both of you are eligible for a Federal credit and asked the IRS to calculate the amount. See the instructions for Civil Union Couples below.) The IRS will provide information to the Division of Taxation in October 2008. Please allow at least 4–6 weeks for the Division to process the information and issue a check for your New Jersey earned income tax credit.

Civil Union Couples. If you file a joint New Jersey return and wish to determine if you are eligible for the NJEITC, prepare a Federal return as if you were married, filing jointly and calculate the amount of the Federal earned income credit, if any, you would have been eligible to receive on a joint Federal return. Once you have determined the amount of the Federal credit you would have received as joint filers, you must use that amount on the Earned Income Tax Credit Worksheet to calculate your New Jersey credit. Be sure to fill in only the second oval below Line 50 indicating you are a civil union couple.

PRORATING THE NEW JERSEY EARNED INCOME TAX CREDIT:

$$\text{Total New Jersey EITC Amount} \times \frac{\text{Months of NJ Residence}}{12} = \text{Prorated New Jersey EITC Amount}$$

COMPLETING A PART-YEAR NONRESIDENT RETURN

Important Points:

- Enter the dates you were a New Jersey *resident* above Line 1.
- Report income, withholdings, and payments *for period of New Jersey nonresidency only*.
- When reporting your income, fill out both Column A and Column B completely.
- Prorate exemptions, deductions, and exclusions based on nonresidency period.
- If you also complete a part-year resident return, allocate your income, withholdings, and payments between the part-year resident and part-year nonresident returns as appropriate.

| | | | |
|--|---|--|---|
| Your Social Security Number | Last Name, First Name and Initial (Joint filers enter first name and initial of each—Enter spouse's/CU partner's last name ONLY if different) | | Place label on form if all preprinted information is correct. Otherwise, print or type your name and address. |
| Spouse's/CU Partner's Social Security Number | Home Address (Number and Street, including apartment number or rural route) | | |
| ↑ You must enter your SSN(s) above ↑ State of Residency (outside NJ) | City, Town, Post Office | State | |
| NJ RESIDENCY STATUS If you were a New Jersey resident for ANY part of the taxable year, give the period of New Jersey residency. From _____ To _____ <small>MONTH DAY YEAR MONTH DAY YEAR</small> | | | |
| Filing Status (Check only ONE box) 1. <input type="checkbox"/> Single 2. <input type="checkbox"/> Married/CU Couple, filing joint return 3. <input type="checkbox"/> Married/CU Partner, filing separate return _____ Name and SSN of Spouse/CU Partner 4. <input type="checkbox"/> Head of household 5. <input type="checkbox"/> Qualifying widow(er)/Surviving CU Partner | | E X E M P T I O N S 6. Regular <input checked="" type="checkbox"/> Yourself <input type="checkbox"/> Spouse/CU Partner <input type="checkbox"/> Domestic Partner 7. Age 65 or Over <input type="checkbox"/> Yourself <input type="checkbox"/> Spouse/CU Partner 8. Blind or Disabled <input type="checkbox"/> Yourself <input type="checkbox"/> Spouse/CU Partner 9. Number of your qualified dependent children 10. Number of other dependents 11. Dependents attending colleges 12. Totals (For Line 12a—Add Lines 6, 7, 8, and 11) (For Line 12b—Add Line 9 and Line 10) | |
| | | 6 | 7 |
| | | 8 | 9 |
| | | | 10 |
| | | 11 | |
| | | 12a | 12b |

1. Residency Status.

(a) Complete the “State of Residency (outside NJ)” box below your social security number(s) at the top of the return. Indicate the place outside New Jersey where you lived for the period of *nonresidency*. If you lived at more than one location, give the most recent.

(b) Show the beginning and ending dates of your *residency in New Jersey* during the tax year.

NOTE: When you file a part-year nonresident return, you are likely to be required to file a part-year resident return, too. (See page 6.) The part-year resident return covers the period of New Jersey residency shown above Line 1, and the part-year nonresident return covers the portion of the year you were *not a resident of New Jersey*. If you were a nonresident for 15 days or more of a month, that month counts as a month of nonresidence. For example, if you were a New Jersey resident from September 27, 2007, to December 31, 2007, you were a nonresident for nine months. See *Exemptions* on page 21.

| | (Column A) AMOUNT OF GROSS INCOME (EVERYWHERE) | | | (Column B) AMOUNT FROM NEW JERSEY SOURCES | | |
|---|--|--|--|---|--|--|
| 14. Wages, salaries, tips, and other employee compensation | 14 | | | 14 | | |
| 15. Interest | 15 | | | 15 | | |
| 16. Dividends | 16 | | | 16 | | |
| 17. Net profits from business (Enclose copy of Federal Schedule C, Form 1040) | 17 | | | 17 | | |
| 18. Net gains or income from disposition of property (From Line 58) | 18 | | | 18 | | |
| 19. Net gains or income from rents, royalties, patents, and copyrights (From Line 61) | 19 | | | 19 | | |
| 20. Net gambling winnings | 20 | | | 20 | | |
| 21. Pensions, Annuities, and IRA Withdrawals | 21 | | | | | |
| 22. Distributive Share of Partnership Income | 22 | | | 22 | | |
| 23. Net pro rata share of S Corporation Income | 23 | | | 23 | | |
| 24. Alimony and separate maintenance payments received | 24 | | | 24 | | |
| 25. Other—State Nature and Source | 25 | | | 25 | | |
| 26. TOTAL INCOME (Add Lines 14 through 25) | 26 | | | 26 | | |
| 27a. Pension Exclusion (See Instructions) | 27a | | | | | |
| 27b. Other Retirement Income Exclusion (See Worksheet and Instructions) | 27b | | | 27b | | |
| 27c. Total Exclusion Amount (Add Line 27a and Line 27b) | 27c | | | 27c | | |
| 28. Gross Income (Subtract Line 27c from Line 26) | 28 | | | 28 | | |

2. Income. Complete *both* Columns A and B, Lines 14–26. *Include only income you received for the part of the year you were a nonresident.* Report in Column A income from all sources (both inside and outside New Jersey) as if you were a resident; in Column B, show your income from New Jersey sources. Follow the instructions in the nonresident return instruction booklet for completing each line. For every entry in Column A, there should be an entry on the corresponding line in Column B. If none of the income in Column A is from New Jersey sources, enter “0” in Column B. In certain circumstances, the amount in Column B can exceed the amount in Column A. No entry is needed on Line 21, Column B since pension, annuity, and IRA withdrawal income is not taxable to nonresidents.

Pennsylvania residents are not subject to income tax on wages they earn in New Jersey. Therefore, if you are a Pennsylvania resident, you must report all your wages

(including wages earned in New Jersey) in Column A, and “0” should be entered in Column B.

This exception applies only to *wages*. Pennsylvania residents are subject to New Jersey tax on other types of income from New Jersey sources. For example, winnings from a casino or racetrack located in New Jersey or net profits from a business located in New Jersey must be reported in both Column A and Column B.

3. Pension and Other Retirement Income Exclusion.

(a) *Pension Exclusion (Line 27a).*

Column A: If you were a New Jersey nonresident for only part of the taxable year and **had total income from all sources for the entire year** of \$100,000 or less before subtracting any pension exclusion, you may qualify for a pension exclusion if you meet the other eligibility requirements. If you qualify, prorate the exclusion by the number

of months you were a New Jersey nonresident. For this calculation 15 days or more is a month. See page 10 for a description of how to prorate the pension exclusion amount.

NOTE: When you and your spouse/civil union partner file a joint return and only one of you is 62 or older or disabled, you may claim the full amount of the prorated exclusion. However, only the income of the one who is age 62 or older or disabled may be excluded.

Column B: No entry is necessary in Column B since pension, annuity, and IRA withdrawal income is not taxable to nonresidents.

(b) Other Retirement Income Exclusion (Line 27b, Columns A and B). If you (and/or your spouse/civil union partner if filing jointly) were 62 years of age or older on the last day of the tax year, you may qualify to exclude other income on Line 27b. There are two parts to the total exclusion: Part I, the unclaimed portion of your prorated pension exclusion, and Part II, a special exclusion for taxpayers who are unable to receive Social Security or Railroad Retirement benefits. *Do not* complete Worksheet D in the NJ-1040NR instruction booklet to calculate the total exclusion amount you are eligible to claim. Instead, calculate your total exclusion as follows:

Part I. Total the earned income (wages, net profits from business, partnership income, and S corporation income) you received from all sources for the *entire* year. If your earned income for the entire year was \$3,000 or less and you did not use your entire *prorated* pension exclusion at Line 27a, you may be able to use the unclaimed pension exclusion at Line 27b provided total income from all sources for the entire year before subtracting any pension exclusion was \$100,000 or less.

Part II. If you are unable to receive Social Security or Railroad Retirement benefits, but would have been eligible for benefits had you fully participated in either program, you may also be eligible for an additional exclusion, whether or not you used all of your *prorated* pension exclusion at Line 27a.

NOTE: When you and your spouse/civil union partner file a joint return and only one of you is 62 or older or disabled, you may claim the full amount of the prorated exclusion. However, only the income of the one who is age 62 or older or disabled may be excluded.

More Information. For information on calculating your partnership and S corporation income, request Tax Topic Bulletin GIT-9P, *Income From Partnerships*, and GIT-9S, *Income From S Corporations*. For more information on pension, annuity, and IRA withdrawal income and the New Jersey income exclusions, request Tax Topic Bulletins GIT-1, *Pensions and Annuities*, and GIT-2, *IRA Withdrawals*.

| | | | |
|--|----|--|--|
| 30. Total Exemption Amount (See instructions) | 30 | | |
| 31. Medical Expenses (See Worksheet and Instructions) | 31 | | |
| 32. Alimony and separate maintenance payments | 32 | | |
| 33. Qualified Conservation Contribution | 33 | | |
| 34. Health Enterprise Zone Deduction | 34 | | |
| 35. Total Exemptions and Deductions (Add Lines 30, 31, 32, 33, and 34) | 35 | | |
| 36. TAXABLE INCOME (Subtract Line 35 from Line 29, Column A) | 36 | | |

4. Exemptions. You must prorate the exemption allowance amount based upon the number of months you were a New Jersey nonresident. For this calculation 15 days or more is a month. First determine the full value of your exemptions as follows:

From Line 12a ____ × \$1,000 = _____
 From Line 12b ____ × \$1,500 = _____
 Total Exemption Amount _____

Once you have calculated your Total Exemption Amount, use the formula below and then enter the prorated exemption amount on Line 30.

PRORATING THE EXEMPTION ALLOWANCE:

$$\text{Total Exemption Amount} \times \frac{\text{Months of NJ Nonresidence}}{12} = \text{Prorated Exemption Amount}$$

5. Deductions.

(a) *Medical Expenses (Line 31).* You may deduct certain medical expenses for which you were not reimbursed by insurance or any other plan, qualified Archer medical savings account (MSA) contributions, and health insurance costs of the self-employed. Complete Worksheet E in the nonresident return instruction booklet (Form NJ-1040NR) to calculate your deduction for medical expenses. Include only those expenses that were incurred and paid during the period of time you were a New Jersey nonresident.

(b) *Alimony and Separate Maintenance Payments (Line 32).* You may deduct alimony and separate maintenance payments paid for the period of time you were a New Jersey nonresident. Child support payments are not deductible.

(c) *Qualified Conservation Contribution (Line 33).* You may deduct the amount of any qualified conservation contribution you made during the period of time you were a New Jersey nonresident.

(d) *Health Enterprise Zone (Line 34).* Eligible taxpayers engaged in providing “primary care” medical and/or dental services at a qualified practice located in or within five miles of a designated Health Enterprise Zone (HEZ) may qualify for a deduction. For information on eligibility requirements and how to calculate the HEZ deduction, see Technical Bulletin TB-56, *Health Enterprise Zones*.

NOTE: New Jersey does not allow deductions for adjustments taken on the Federal return such as employee business expenses or IRA and Keogh Plan contributions.

| | | | | |
|---|----|--|--|--|
| 39. NEW JERSEY TAX (Multiply amount from Line 37 _____ x _____ % on Line 38) | 39 | | | |
| 40. Sheltered Workshop Tax Credit | 40 | | | |
| 41. Balance of Tax after Credit (Subtract Line 40 from Line 39) | 41 | | | |

6. Sheltered Workshop Tax Credit. Enter the amount of your Sheltered Workshop Tax Credit from Part IV, line 12 of Form

GIT-317. Allocate the total amount of the credit between your part-year resident and part-year nonresident returns if appropriate.

| | | | | |
|--|---------------|--|--|----|
| 44. Total New Jersey Income Tax Withheld (Enclose Forms W-2 and 1099) | 44 | | | |
| 45. New Jersey Estimated Tax Payments/Credit from 2006 tax return | 45 | | | |
| 46. Tax paid on your behalf by Partnership(s) | 46 | | | |
| 47. EXCESS NJ UI/WF/SWF Withheld (Enclose Form NJ-2450. See instructions) | 47 | | | |
| 48. EXCESS NJ Disability Insurance Withheld (Enclose Form NJ-2450. See instructions) | 48 | | | |
| 49. Total Payments/Credits (Add Lines 44 through 48) | ENTER TOTAL → | | | 49 |

7. Tax Withheld/Estimated Payments.

(a) *Line 44.* Enter the amount of New Jersey income tax withheld from wages you earned or other payments you received while you were a New Jersey nonresident. If your employer combined wages you earned as a resident and wages you earned as a nonresident on the same W-2, and you earned some of those wages from New Jersey while a nonresident, include here only tax withheld during the period you were a nonresident. Allocate the New Jersey income tax withheld between your part-year resident and part-year nonresident returns if you earned wages from New Jersey as a resident and as a nonresident.

(b) *Line 45.* Enter the amount of estimated payments to New Jersey for the period of time you were a nonresident. If you made estimated payments both as a resident and as a nonresident, enter on your part-year resident return the payment(s) made to meet the tax liability for your period of New Jersey residency. Enter on the part-year nonresident return the payment(s) made to satisfy your tax liability during the part of the year you were a nonresident. Also enter amounts, if any, paid to qualify for an extension of time to file.

| PART III | ALLOCATION OF WAGE AND SALARY INCOME EARNED PARTLY INSIDE AND OUTSIDE NEW JERSEY | (See instructions if compensation depends entirely on volume of business transacted or if other basis of allocation is used.) | |
|----------|---|---|--|
| 62. | Amount reported on Line 14 in Column A required to be allocated | 62 | |
| 63. | Total days in taxable year | 63 | |
| 64. | Deduct nonworking days (Sundays, Saturdays, holidays, sick leave, vacation, etc.) | 64 | |
| 65. | Total days worked in taxable year (Subtract Line 64 from Line 63) | 65 | |
| 66. | Deduct days worked outside New Jersey | 66 | |
| 67. | Days worked in New Jersey (Subtract Line 66 from Line 65) | 67 | |
| 68. | ALLOCATION FORMULA | $\frac{\text{(Line 62)}}{\text{(Line 65)}} \times \frac{\text{(Enter amount from Line 62)}}{\text{(Salary earned inside N.J.)}} = \text{_____}$ | |
| | | (Include this amount on Line 14, Col. B) | |

8. Allocation of Wage and Salary Income Earned Partly Inside and Outside New Jersey. Complete this section only when you have wage/salary income earned partly inside and partly outside New Jersey and you cannot readily determine the amount of wage/

salary income derived from New Jersey. For purposes of completing this section, “total days” on Line 63 means the number of days covered by your part-year return. Complete Lines 62–68 accordingly.

Example A

Part-Year Resident/Part-Year Nonresident

- John Perry, age 35, and Joan Perry, age 32, are married and file a joint Federal return. They have two dependents: their one-year-old son and Mr. Perry's 67-year-old mother.
- The family moved to New Jersey from New York City on April 1. They rented an apartment at 123 Elm St., Montclair, NJ 07042 from April 1 to December 31 for \$750 a month.
- Husband worked for the same employer in New Jersey all year; wages for the year, \$72,000.
- Wife's wages for part-time job from September to December, \$3,000.
- Couple received \$6,400 in interest on their joint accounts and \$480 in dividends for the year.
- On March 1, they sold 200 shares of jointly held stock in ABC Corp. for \$3,500, purchased the previous year for \$2,800.
- They won \$75 in the New York Lottery on February 3 and \$62 in the New Jersey Lottery on July 29.
- New Jersey income tax withheld: \$1,983 for Mr. Perry and \$52 for Mrs. Perry.
- Four estimated tax payments of \$50 each made to New Jersey on April 15, June 15, September 15, and January 15 of the following year.

NJ-1040NR 2007 STATE OF NEW JERSEY INCOME TAX—NONRESIDENT RETURN

| | | | |
|--|--|--------------------|---|
| Your Social Security Number 999 34 0722 | Last Name, First Name and Initial (Joint filers enter first name and initial of each—Enter spouse's/CU partner's last name ONLY if different) Perry, John and Joan | | Place label on form if all preprinted information is correct. Otherwise, print or type your name and address. |
| Spouse's/CU Partner's Social Security Number 999 01 3664 | Home Address (Number and Street, including apartment number or rural route) 123 Elm St. | | |
| State of Residency (outside NJ) New York | City, Town, Post Office Montclair | State NJ | |

NJ RESIDENCY STATUS If you were a New Jersey resident for ANY part of the taxable year, give the period of New Jersey residency. From 04-01-07 To 12-31-07
MONTH DAY YEAR MONTH DAY YEAR

| | | | | | | |
|---|--|---|-----|---|-----|---|
| Filing Status (Check only ONE box) 1. <input type="checkbox"/> Single 2. <input checked="" type="checkbox"/> Married/CU Couple, filing joint return 3. <input type="checkbox"/> Married/CU Partner, filing separate return _____ Name and SSN of Spouse/CU Partner 4. <input type="checkbox"/> Head of household 5. <input type="checkbox"/> Qualifying widow(er)/Surviving CU Partner | E X E M P T I O N S | 6. Regular <input checked="" type="checkbox"/> Yourself <input checked="" type="checkbox"/> Spouse/CU Partner <input type="checkbox"/> Domestic Partner | 6 | 2 | | |
| | | 7. Age 65 or Over <input type="checkbox"/> Yourself <input type="checkbox"/> Spouse/CU Partner | 7 | | | |
| | | 8. Blind or Disabled <input type="checkbox"/> Yourself <input type="checkbox"/> Spouse/CU Partner | 8 | | | |
| | | 9. Number of your qualified dependent children | | | 9 | 1 |
| | | 10. Number of other dependents | | | 10 | 1 |
| | | 11. Dependents attending colleges | 11 | | | |
| | | 12. Totals (For Line 12a—Add Lines 6, 7, 8, and 11) (For Line 12b—Add Line 9 and Line 10) | 12a | 2 | 12b | 2 |

| DEPENDENTS | 13. Dependent's Last Name, First Name, Middle Initial | Dependent's Social Security Number | | | Birth Year | | |
|------------|---|------------------------------------|------------|-----------|------------|-------------|-------------|
| | a | <u>Perry, Jake</u> | <u>999</u> | <u>/</u> | <u>52</u> | <u>/</u> | <u>0222</u> |
| b | <u>Perry, Mary</u> | <u>999</u> | <u>/</u> | <u>36</u> | <u>/</u> | <u>8819</u> | <u>1940</u> |
| c | _____ | _____ | / | _____ | / | _____ | _____ |
| d | _____ | _____ | / | _____ | / | _____ | _____ |

GUBERNATORIAL ELECTIONS FUND → Do you wish to designate \$1 of your taxes for this fund? If joint return, does your spouse/CU partner wish to designate \$1?
 Yes No Note: If you check the "Yes" box(es), it will not increase your tax or reduce your refund.

| | (Column A) AMOUNT OF GROSS INCOME (EVERYWHERE) | | (Column B) AMOUNT FROM NEW JERSEY SOURCES | |
|---|---|----------|--|----------|
| 14. Wages, salaries, tips, and other employee compensation | 14 | 18000 00 | 14 | 18000 00 |
| 15. Interest | 15 | 1600 00 | 15 | 0 |
| 16. Dividends | 16 | 120 00 | 16 | 0 |
| 17. Net profits from business (Enclose copy of Federal Schedule C, Form 1040) | 17 | | 17 | |
| 18. Net gains or income from disposition of property (From Line 58) | 18 | 700 00 | 18 | 0 |
| 19. Net gains or income from rents, royalties, patents, and copyrights (From Line 61) | 19 | | 19 | |
| 20. Net gambling winnings | 20 | 75 00 | 20 | 0 |
| 21. Pensions, Annuities, and IRA Withdrawals | 21 | | | |
| 22. Distributive Share of Partnership Income | 22 | | 22 | |
| 23. Net pro rata share of S Corporation Income | 23 | | 23 | |
| 24. Alimony and separate maintenance payments received | 24 | | 24 | |
| 25. Other—State Nature and Source | 25 | | 25 | |
| 26. TOTAL INCOME (Add Lines 14 through 25) | 26 | 20495 00 | 26 | 18000 00 |
| 27a. Pension Exclusion (See Instructions) | 27a | | | |
| 27b. Other Retirement Income Exclusion (See Worksheet and Instructions) | 27b | | 27b | |
| 27c. Total Exclusion Amount (Add Line 27a and Line 27b) | 27c | | 27c | |
| 28. Gross Income (Subtract Line 27c from Line 26) | 28 | 20495 00 | 28 | 18000 00 |

| PART I | | NET GAINS OR INCOME FROM DISPOSITION OF PROPERTY | | List the net gains or income, less net loss, derived from the sale, exchange, or other disposition of property including real or personal whether tangible or intangible. | | | | | |
|---|--------------------------------------|---|--------------------------------|---|--|--|----------------------------------|----|--|
| (a) Kind of property and description | (b) Date acquired (Mo., day, yr.) | (c) Date sold (Mo., day, yr.) | (d) Gross sales price | | (e) Cost or other basis as adjusted (see instructions) and expense of sale | | (f) Gain or (loss) (d less e) | | |
| 55. 200 shs. ABC Corp. | 2-15-06 | 3-1-07 | 3500 | 00 | 2800 | 00 | 700 | 00 | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| 56. Capital Gains Distribution | | | | | | 56 | | | |
| 57. Other Net Gains | | | | | | 57 | | | |
| 58. Net Gains (Add Lines 55, 56, and 57) (Enter here and on Line 18) (If Loss, enter ZERO) | | | | | | 58 | 700 | 00 | |
| PART II | | NET GAINS OR INCOME FROM RENTS, ROYALTIES, PATENTS AND COPYRIGHTS | | List the net gains or net income, less net loss, derived from or in the form of rents, royalties, patents, and copyrights as reported on your Federal Income Tax Return. | | | | | |
| (a) Kind of property | (b) Net Rental Income (Loss) | (c) Net Income From Royalties | (d) Net Income From Patents | | (e) Net Income From Copyrights | | | | |
| 59. | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| 60. Totals | (b) | (c) | (d) | | (e) | | | | |
| 61. Net Income (Combine Columns b, c, d, and e) (Enter here and on Line 19) (If Loss, enter ZERO) | | | | | | 61 | | | |
| PART III | | ALLOCATION OF WAGE AND SALARY INCOME EARNED PARTLY INSIDE AND OUTSIDE NEW JERSEY | | (See instructions if compensation depends entirely on volume of business transacted or if other basis of allocation is used.) | | | | | |
| 62. Amount reported on Line 14 in Column A required to be allocated | | | | | | 62 | | | |
| 63. Total days in taxable year | | | | | | 63 | | | |
| 64. Deduct nonworking days (Sundays, Saturdays, holidays, sick leave, vacation, etc.) | | | | | | 64 | | | |
| 65. Total days worked in taxable year (Subtract Line 64 from Line 63) | | | | | | 65 | | | |
| 66. Deduct days worked outside New Jersey | | | | | | 66 | | | |
| 67. Days worked in New Jersey (Subtract Line 66 from Line 65) | | | | | | 67 | | | |
| 68. ALLOCATION FORMULA | (Line 67) | × _____ | | | | = _____ (Include this amount on Line 14, Col. B) | | | |
| | (Line 65) | (Enter amount from Line 62) | | | | (Salary earned inside N.J.) | | | |
| PART IV | | ALLOCATION OF BUSINESS INCOME TO NEW JERSEY | | (See instructions if other than Formula Basis of allocation is used.) | | | | | |
| BUSINESS ALLOCATION PERCENTAGE (From Schedule NJ-NR-A) | | | | | | | | | |
| Enter below, the line number and amount of each item of business income reported in Column A which is required to be allocated and multiply by allocation percentage to determine amount of income from New Jersey sources. | | | | | | | | | |
| From Line No. _____ | \$ _____ | × _____ | % | = \$ _____ | | | | | |
| From Line No. _____ | \$ _____ | × _____ | % | = \$ _____ | | | | | |
| From Line No. _____ | \$ _____ | × _____ | % | = \$ _____ | | | | | |

**NJ-1040
2007**

**STATE OF NEW JERSEY
INCOME TAX-RESIDENT RETURN**

| | | | | | | | | | | | | | | | | | | | | | | |
|--|---|--|--------------------------|---|---|--------------------------|---|--|---|--|---|---|--|----|---|--|----|--|--|-----|---|-------|
| Your Social Security Number 9 9 9 - 3 4 - 0 7 2 2 | | Last Name, First Name, and Initial (Joint filers enter first name and initial of each - Enter spouse/CU partner last name ONLY if different) Perry, John and Joan | | | | | | | | | | | | | | | | | | | | |
| Spouse's/CU Partner's Social Security Number 9 9 9 - 0 1 - 3 6 6 4 | | Home Address (Number and Street, including apartment number or rural route) 123 Elm St. | | | | | | | | | | | | | | | | | | | | |
| County/Municipality Code (See Table) 0 7 1 3 | City, Town, Post Office Montclair | State NJ | Zip Code 07042 | | | | | | | | | | | | | | | | | | | |
| NJ RESIDENCY STATUS If you were a New Jersey resident for ONLY part of the taxable year, give the period of New Jersey residency: From 0 4 / 0 1 / 0 7 To 1 2 / 3 1 / 0 7 | | | | | | | | | | | | | | | | | | | | | | |
| (Fill in only one) 1. <input type="radio"/> Single 2. <input checked="" type="radio"/> Married/CU Couple, filing joint return 3. <input type="radio"/> Married/CU Partner, filing separate return Enter Spouse's/CU Partner's Social Security Number in the boxes provided above 4. <input type="radio"/> Head of household 5. <input type="radio"/> Qualifying widow(er)/Surviving CU Partner | | 6. Regular <input checked="" type="radio"/> Yourself <input checked="" type="radio"/> Spouse/CU Partner <input type="radio"/> Domestic Partner 7. Age 65 or Over <input type="radio"/> Yourself <input type="radio"/> Spouse/CU Partner 8. Blind or Disabled <input type="radio"/> Yourself <input type="radio"/> Spouse/CU Partner 9. Number of your qualified dependent children 10. Number of other dependents 11. Dependents attending colleges 12. Totals (For Line 12a - Add Lines 6, 7, 8, and 11) (For Line 12b - Add Lines 9 and 10) | | | | | | | | | | | | | | | | | | | | |
| | | <table border="1" style="width:100%; border-collapse: collapse;"> <tr><td style="width:20px;">6</td><td style="width:20px;">2</td><td rowspan="3" style="text-align:center; vertical-align:middle;">ENTER NUMBERS HERE</td></tr> <tr><td>7</td><td></td></tr> <tr><td>8</td><td></td></tr> <tr><td>9</td><td>1</td><td></td></tr> <tr><td>10</td><td>1</td><td></td></tr> <tr><td>11</td><td></td><td></td></tr> <tr><td>12a</td><td>2</td><td>12b 2</td></tr> </table> | | 6 | 2 | ENTER NUMBERS HERE | 7 | | 8 | | 9 | 1 | | 10 | 1 | | 11 | | | 12a | 2 | 12b 2 |
| 6 | 2 | ENTER NUMBERS HERE | | | | | | | | | | | | | | | | | | | | |
| 7 | | | | | | | | | | | | | | | | | | | | | | |
| 8 | | | | | | | | | | | | | | | | | | | | | | |
| 9 | 1 | | | | | | | | | | | | | | | | | | | | | |
| 10 | 1 | | | | | | | | | | | | | | | | | | | | | |
| 11 | | | | | | | | | | | | | | | | | | | | | | |
| 12a | 2 | 12b 2 | | | | | | | | | | | | | | | | | | | | |
| 13. Dependent's Last Name, First Name, Middle Initial Dependent's Social Security Number Birth Year | | | | | | | | | | | | | | | | | | | | | | |
| a <u>Perry, Jake</u> | | a 9 9 9 - 5 2 - 0 2 2 2 a 2 0 0 6 | | | | | | | | | | | | | | | | | | | | |
| b <u>Perry, Mary</u> | | b 9 9 9 - 3 6 - 8 8 1 9 b 1 9 4 0 | | | | | | | | | | | | | | | | | | | | |
| c _____ | | c _____ | | | | | | | | | | | | | | | | | | | | |
| d _____ | | d _____ | | | | | | | | | | | | | | | | | | | | |
| GUBERNATORIAL ELECTIONS FUND | | Do you wish to designate \$1 of your taxes for this fund? <input type="radio"/> Yes <input type="radio"/> No If joint return, does your spouse/CU partner wish to designate \$1? <input type="radio"/> Yes <input type="radio"/> No <small>Note: If you fill in the "Yes" oval(s), it will not increase your tax or reduce your refund.</small> | | | | | | | | | | | | | | | | | | | | |

COMPLETE PAGES 2 AND 3 BEFORE SIGNING RETURN BELOW
If you were a tenant on October 1, 2007, also complete Page 4

| | |
|---|---|
| Under the penalties of perjury, I declare that I have examined this income tax return and rebate application, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete and that I occupied the rental property for which I am applying for the tenant homestead rebate as my principal residence on October 1, 2007. If prepared by a person other than taxpayer, this declaration is based on all information of which the preparer has any knowledge. | Pay amount on Line 54 in full. Write social security number(s) on check or money order and make payable to: STATE OF NEW JERSEY - TGI Mail your check or money order with your NJ-1040-V payment voucher and your return to: NJ Division of Taxation Revenue Processing Center PO Box 111 Trenton, NJ 08645-0111 IF REFUND: NJ Division of Taxation Revenue Processing Center PO Box 555 Trenton, NJ 08647-0555 You may also pay by e-check or credit card. For more information go to: www.state.nj.us/treasury/taxation |
| → _____ Your Signature Date | |
| → _____ Spouse's/CU Partner's Signature (if filing jointly, BOTH must sign) Date | |

Part-Year Residents

NJ-1040 (2007) Page 2

| | | | | | | | | | | | | |
|---|-----|--|--|--|---|---|---|---|---|---|---|---|
| 14. Wages, salaries, tips, and other employee compensation (Enclose W-2) | 14 | | | | 5 | 7 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15a. Taxable interest income (See instructions) | 15a | | | | | 4 | 8 | 0 | 0 | 0 | 0 | 0 |
| 15b. Tax-exempt interest income (See instructions) DO NOT include on Line 15a | 15b | | | | | | | | | | | |
| 16. Dividends | 16 | | | | | | 3 | 6 | 0 | 0 | 0 | 0 |
| 17. Net profits from business (Enclose copy of Federal Schedule C, Form 1040) | 17 | | | | | | | | | | | |
| 18. Net gains or income from disposition of property (Schedule B, Line 4) | 18 | | | | | | | | | | | |
| 19. Pensions, Annuities, and IRA Withdrawals (See instructions) | 19 | | | | | | | | | | | |
| 20. Distributive Share of Partnership Income (See instructions) | 20 | | | | | | | | | | | |
| 21. Net pro rata share of S Corporation Income (See instructions) | 21 | | | | | | | | | | | |
| 22. Net gain or income from rents, royalties, patents & copyrights (Schedule C, Line 3) ... | 22 | | | | | | | | | | | |
| 23. Net Gambling Winnings | 23 | | | | | | | | | | | |
| 24. Alimony and separate maintenance payments received | 24 | | | | | | | | | | | |
| 25. Other (See instructions) | 25 | | | | | | | | | | | |
| 26. Total Income (Add Lines 14, 15a, and 16 through 25) | 26 | | | | | 6 | 2 | 1 | 6 | 0 | 0 | 0 |
| 27a. Pension Exclusion (See instructions) | 27a | | | | | | | | | | | |
| 27b. Other Retirement Income Exclusion (See Worksheet and instructions) | 27b | | | | | | | | | | | |
| 27c. Total Exclusion Amount (Ass Line 27a and 27b) | 27c | | | | | | | | | | | |
| 28. New Jersey Gross Income (Subtract Line 27c from Line 26) See instructions | 28 | | | | | 6 | 2 | 1 | 6 | 0 | 0 | 0 |
| 29. Total Exemption Amount (See instructions to calculate amount) | 29 | | | | | | 3 | 7 | 5 | 0 | 0 | 0 |
| (Part-Year Residents see instructions) | | | | | | | | | | | | |
| 30. Medical Expenses (See Worksheet and instructions) | 30 | | | | | | | | | | | |
| 31. Alimony and Separate Maintenance Payments | 31 | | | | | | | | | | | |
| 32. Qualified Conservation Contribution | 32 | | | | | | | | | | | |
| 33. Health Enterprise Zone Deduction | 33 | | | | | | | | | | | |
| 34. Total Exemptions and Deductions (Add Lines 29, 30, 31, 32, and 33) | 34 | | | | | | 3 | 7 | 5 | 0 | 0 | 0 |
| 35. Taxable Income (Subtract Line 34 from Line 28) If zero or less, MAKE NO ENTRY .. | 35 | | | | | 5 | 8 | 4 | 1 | 0 | 0 | 0 |
| 36a. Total Property Taxes Paid | 36a | | | | | | | 1 | 2 | 1 | 5 | 0 |
| 36b. Fill in oval if you were a New Jersey homeowner on October 1, 2007. ○ | | | | | | | | | | | | |
| 36c. Property Tax Deduction (See instructions) | 36c | | | | | | | | | | | |
| 37. NEW JERSEY TAXABLE INCOME (Subtract Line 36c from Line 35) If zero or less, MAKE NO ENTRY | 37 | | | | | 5 | 8 | 4 | 1 | 0 | 0 | 0 |
| 38. TAX (From Tax Table) | 38 | | | | | | | 1 | 0 | 1 | 1 | 0 |
| 39. Credit For Income Taxes Paid to Other Jurisdictions (See instructions). Enter other jurisdiction code (See instructions) | 39 | | | | | | | | | | | |
| 40. Balance of Tax (Subtract Line 39 from Line 38) | 40 | | | | | | | 1 | 0 | 1 | 1 | 0 |

| | | | | |
|----------------------------------|-----------------------------|----|------|--|
| Name(s) as shown on Form NJ-1040 | Your Social Security Number | | | |
| Perry, John and Joan | 999 | 34 | 0722 | |

| | | | | | | | |
|--|---------------------|---|----|---|---|---|---|
| 41. Balance of Tax (From Line 40, Page 2) | 41 | 1 | 0 | 1 | 1 | 0 | 0 |
| 42. Sheltered Workshop Tax Credit | 42 | | | | | | |
| 43. Balance of Tax after Credit (Subtract Line 42 from Line 41) | 43 | 1 | 0 | 1 | 1 | 0 | 0 |
| 44. Use Tax Due on Out-of-State Purchases (See instructions) | 44 | | | | 0 | 0 | 0 |
| If no Use Tax, enter ZERO (0.00). | | | | | | | |
| 45. Penalty for Underpayment of Estimated Tax. Fill in <input type="radio"/> if Form NJ-2210 is enclosed | 45 | | | | | | |
| 46. Total Tax and Penalty (Add Lines 43, 44, and 45) | 46 | 1 | 0 | 1 | 1 | 0 | 0 |
| 47. Total New Jersey Income Tax Withheld (Enclose Forms W-2 and 1099) | 47 | 1 | 5 | 3 | 9 | 0 | 0 |
| 48. Property Tax Credit (See instructions) | | | 48 | 3 | 7 | 5 | 0 |
| 49. New Jersey Estimated Tax Payments/Credit from 2006 tax return | 49 | | 1 | 5 | 0 | 0 | 0 |
| 50. New Jersey Earned Income Tax Credit (See instructions) | | | | | | | |
| Fill in <input type="radio"/> Fill in oval if you had the IRS figure your Federal Earned Income Credit | 50 | | | | | | |
| only one <input type="radio"/> Fill in oval if you are a CU couple claiming the NJ Earned Income Tax Credit | | | | | | | |
| 51. EXCESS New Jersey UI/WF/SWF Withheld (See instructions) (Enclose Form NJ-2450) | 51 | | | | | | |
| 52. EXCESS New Jersey Disability Insurance Withheld (See instructions) | 52 | | | | | | |
| (Enclose Form NJ-2450) | | | | | | | |
| 53. Total Payments/Credits (Add Lines 47 through 52) | 53 | 1 | 7 | 2 | 6 | 5 | 0 |
| 54. If Line 53 is LESS THAN Line 46, enter AMOUNT YOU OWE | 54 | | | | | | |
| Fill in <input type="radio"/> if paying by e-check or credit card. | | | | | | | |
| If you owe tax, you may make a donation by entering an amount on Lines 57, 58, 59, 60, 61, and/or 62 and adding this to your payment amount. | | | | | | | |
| 55. If Line 53 is MORE THAN Line 46, enter OVERPAYMENT | 55 | | 7 | 1 | 5 | 5 | 0 |
| Deductions from Overpayment on Line 55 which you elect to credit to: | | | | | | | |
| 56. Your 2008 tax | 56 | | 2 | 0 | 0 | 0 | 0 |
| 57. N.J. Endangered Wildlife Fund | 57 | | | | | | |
| <input type="checkbox"/> \$10 <input type="checkbox"/> \$20 <input type="checkbox"/> Other | ENTER | | | | | | |
| 58. N.J. Children's Trust Fund To Prevent Child Abuse | 58 | | | | | | |
| <input type="checkbox"/> \$10 <input type="checkbox"/> \$20 <input type="checkbox"/> Other | AMOUNT | | | | | | |
| 59. N.J. Vietnam Veterans' Memorial Fund | 59 | | | | | | |
| <input type="checkbox"/> \$10 <input type="checkbox"/> \$20 <input type="checkbox"/> Other | OF | | | | | | |
| 60. N.J. Breast Cancer Research Fund | 60 | | | | | | |
| <input type="checkbox"/> \$10 <input type="checkbox"/> \$20 <input type="checkbox"/> Other | CONTRIBUTION | | | | | | |
| 61. U.S.S. New Jersey Educational Museum Fund | 61 | | | | | | |
| <input type="checkbox"/> \$10 <input type="checkbox"/> \$20 <input type="checkbox"/> Other | | | | | | | |
| 62. Other Designated Contribution | 62 | | | | | | |
| See instructions | | 0 | | | | | |
| 63. Total Deductions from Overpayment (Add Lines 56 through 62) | 63 | | 2 | 0 | 0 | 0 | 0 |
| 64. REFUND (Amount to be sent to you. Subtract Line 63 from Line 55) | 64 | | 5 | 1 | 5 | 5 | 0 |

TR-1040
2007

STATE OF NEW JERSEY
HOMESTEAD REBATE APPLICATION
(FOR TENANTS ONLY)

| | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| <p>1. <input type="radio"/> Single</p> <p>2. <input checked="" type="radio"/> Married/CU Couple, filing joint return</p> <p>3. <input type="radio"/> Married/CU Partner, filing separate return</p> <p>4. <input type="radio"/> Head of household</p> <p>5. <input type="radio"/> Qualifying widow(er)/Surviving CU Partner</p> | <p>NJ RESIDENCY STATUS</p> <p>6. If you were a New Jersey resident for ONLY part of the taxable year, give the period of New Jersey residency:</p> <p>From <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px; text-align: center;">0</td><td style="width: 20px; height: 20px; text-align: center;">4</td></tr></table> / <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px; text-align: center;">0</td><td style="width: 20px; height: 20px; text-align: center;">1</td></tr></table> / <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px; text-align: center;">0</td><td style="width: 20px; height: 20px; text-align: center;">7</td></tr></table></p> <p>To <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px; text-align: center;">1</td><td style="width: 20px; height: 20px; text-align: center;">2</td></tr></table> / <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px; text-align: center;">3</td><td style="width: 20px; height: 20px; text-align: center;">1</td></tr></table> / <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px; text-align: center;">0</td><td style="width: 20px; height: 20px; text-align: center;">7</td></tr></table></p> | 0 | 4 | 0 | 1 | 0 | 7 | 1 | 2 | 3 | 1 | 0 | 7 |
| 0 | 4 | | | | | | | | | | | | |
| 0 | 1 | | | | | | | | | | | | |
| 0 | 7 | | | | | | | | | | | | |
| 1 | 2 | | | | | | | | | | | | |
| 3 | 1 | | | | | | | | | | | | |
| 0 | 7 | | | | | | | | | | | | |

DO NOT FILE FORM TR-1040 IF YOU WERE A HOMEOWNER ON OCTOBER 1, 2007 (See instructions)

7. On October 1, 2007, I rented and occupied an apartment or other rental dwelling in New Jersey as my principal residence.
 Yes No If "No," STOP. You are not eligible for a rebate as a tenant and you should not file this application. See instructions.

8. On 12/31/07, I (and/or my spouse/CU partner) was a. Age 65 or older b. Blind or disabled c. Not 65 or blind or disabled
 Fill in only **one** oval. See instructions.

9. Enter the GROSS INCOME you reported on Line 28, Form NJ-1040 or see instructions

| | | |
|---|--|--|
| 9 | | |
|---|--|--|

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| | |
|---|---|
| 8 | 2 |
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|---|---|---|
| 6 | 5 | 5 |
|---|---|---|

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| | |
|---|---|
| 0 | 0 |
|---|---|

10. If your filing status is MARRIED/CU PARTNER, FILING SEPARATE RETURN and you and your spouse/CU partner MAINTAIN THE SAME PRINCIPAL RESIDENCE, enter the gross income reported on your spouse's/CU partner's return (Line 28, Form NJ-1040) and fill in oval →

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| 10 | | |
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11. TOTAL GROSS INCOME (Add Line 9 and Line 10)

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| 11 | | |
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| 8 | 2 |
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| 6 | 5 | 5 |
|---|---|---|

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| 0 | 0 |
|---|---|

STOP - IF LINE 11 IS MORE THAN \$100,000, YOU ARE NOT ELIGIBLE FOR A TENANT REBATE.

12. Enter the address of the rental property in **New Jersey** that was your principal residence on **October 1, 2007**.
 Street Address (including apartment number) 123 Elm St. Municipality Montclair

13. Enter the total rent you (and your spouse/CU partner) paid during 2007 for the rental property indicated at Line 12

| | | |
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| 13 | | |
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| 6 |
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|---|---|---|
| 7 | 5 | 0 |
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|---|---|
| 0 | 0 |
|---|---|

14. Enter the number of days during 2007 that you (and your spouse/CU partner) occupied the rental property indicated at Line 12. (If you lived there for all of 2007, enter 365)

| | | | |
|----|---|---|---|
| 14 | 2 | 7 | 5 |
|----|---|---|---|

15. Did anyone, other than your spouse/CU partner, occupy and share rent with you for the rental property indicated at Line 12?
 Yes No (If yes, you must complete Lines 15a, b, and c)

15a. Enter the total number of tenants (including yourself) who shared the rent during the period indicated at Line 14. (For this purpose, husband and wife/CU couple are considered one tenant)

| | | |
|-----|--|--|
| 15a | | |
|-----|--|--|

15b. Enter the name(s) and social security number(s) of all other tenants (other than your spouse/CU partner) who shared the rent.
 Name _____ SS# _____ / _____ / _____
 Name _____ SS# _____ / _____ / _____
 Name _____ SS# _____ / _____ / _____

15c. Enter the total rent paid by all tenants during the period indicated at Line 14

| | | |
|-----|--|--|
| 15c | | |
|-----|--|--|

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| | |
|--|--|
| <p>Under the penalties of perjury, I declare that I have examined this rebate application, including accompanying documents, and to the best of my knowledge and belief, it is true, correct, and complete and that I occupied the rental property for which I am applying for the tenant homestead rebate as my principal residence on October 1, 2007. If prepared by a person other than taxpayer, this declaration is based on all information of which the preparer has any knowledge.</p> <p>→ _____ Your Signature Date</p> <p>→ _____ Spouse's/CU Partner's Signature (if filing jointly, BOTH must sign) Date</p> | <p>If you are ONLY filing Form TR-1040:</p> <ul style="list-style-type: none"> • Mail your application in the envelope provided. • Affix the mailing label for PO Box 197. |
|--|--|

Schedule 1 – Property Tax Deduction/Credit

Complete both columns of this schedule to find out whether the Property Tax Deduction or the Property Tax Credit is better for you. **Do not complete this schedule if you claim a credit for taxes paid to other jurisdictions.** Complete Schedule A and Worksheet F.

1. **Property Tax.** Enter the property taxes you paid in 2007 from Line 36a, Form NJ-1040. 1. 1,215
 Property tax reimbursement (Senior Freeze) applicants do not enter the amount from Line 36a. **See instructions.**
2. **Property Tax Deduction.** Enter the amount from Line 1 of this schedule or \$10,000, whichever is less. 2. 1,215
 Also enter this amount on Line 4, Column A below. **See instructions.**

| | | Column A | | Column B |
|--|----|----------|----|----------|
| 3. Taxable Income (Copy from Line 35 of Form NJ-1040) | 3. | 58,410 | 3. | 58,410 |
| 4. Property Tax Deduction (Copy from Line 2 of this schedule) | 4. | 1,215 | 4. | - 0 - |
| 5. Taxable Income After Property Tax Deduction (Subtract Line 4 from Line 3) | 5. | 57,195 | 5. | 58,410 |
| 6. Tax you would pay on Line 5 amount (From Tax Table or Tax Rate Schedules) | 6. | 981 | 6. | 1,011 |
| 7. Subtract Line 6, Column A from Line 6, Column B and enter the result here | 7. | | 7. | 30 |

8. **Is the Line 7 amount \$50 or more (\$25 if filing status is married/CU partner, filing separate return and you maintain the same residence as your spouse/civil union partner)?**

Yes. You receive a greater tax benefit by taking the Property Tax Deduction. Make the following entries on Form NJ-1040.

| | |
|---------------------|---------------------------|
| <i>Form NJ-1040</i> | <i>Enter amount from:</i> |
| Line 36c | Line 4, Column A |
| Line 37 | Line 5, Column A |
| Line 38 | Line 6, Column A |
| Line 48 | Make no entry |

No. You receive a greater tax benefit from the Property Tax Credit. (**Part-year residents**, see instructions before answering “No.”) Make the following entries on Form NJ-1040.

| | |
|---------------------|---|
| <i>Form NJ-1040</i> | <i>Enter amount from:</i> |
| Line 36c | Make no entry |
| Line 37 | Line 5, Column B |
| Line 38 | Line 6, Column B |
| Line 48 | \$50 (\$25 if filing status is married/CU partner, filing separate return and you maintain the same residence as your spouse/civil union partner). Part-year residents , see instructions. |

For More Information

By Phone

- Call the Division of Taxation's Customer Service Center at **609-292-6400**.
- Text Telephone Service (TTY/TDD) for Hard-of-Hearing Users: **1-800-286-6613** (toll-free within NJ, NY, PA, DE, and MD) or **609-984-7300**. These numbers are accessible *only* from TTY devices. Submit a text message on any tax matter and receive a reply through NJ Relay Services (711).

Online

- Division of Taxation Web site: www.state.nj.us/treasury/taxation/
- E-mail: nj.taxation@treas.state.nj.us
- Subscribe to *NJ Tax E-News*, the Division of Taxation's online information service, at: www.state.nj.us/treasury/taxation/listserv.htm

In Writing

New Jersey Division of Taxation
Information and Publications Branch
PO Box 281
Trenton, NJ 08695-0281

Order Forms and Publications

- Call the Forms Request System at **1-800-323-4400** (within NJ, NY, PA, DE, and MD) or **609-826-4400**. Touch-tone phones only.
- Call NJ TaxFax at **609-826-4500** from your fax machine's phone.
- Visit the Division of Taxation's Web site: www.state.nj.us/treasury/taxation/