

I. Introduction

New Jersey's Department of the Treasury has long issued a yearly Statistics of Income (SOI) report based on the Gross Income Tax returns it receives.¹ The purpose of these reports is to provide useful economic data about tax revenue, analyzed from a variety of perspectives, to the general public.

This current report has the same objective, but uses information from returns filed for New Jersey's Corporation Business Tax (CBT). Thus, it can be referred to, in short, as a "CBT SOI" report.

This report is the first CBT SOI issued by the State of New Jersey. It is provisional in nature, and begins with a modest complement of 10 statistical tables. It provides a basic framework, which can be built upon in future years.

The data are collected from the CBT-100, which is the State of New Jersey's primary Corporation Business Tax return form. They are from returns filed for the Tax Years 2013, 2014, and 2015, with separate analysis for each year.

The contents of this report are organized as follows: Section II provides an executive summary of the report's main results; Section III displays the tables, with additional commentary; the Appendix shows a facsimile of the first page of the CBT-100 form.

II. Executive Summary

Corporate taxpayers in New Jersey are taxed in one of three categories: (1) through a standard (schedule) tax on their profits (which is called allocated net income), (2) a minimum tax on their sales in the state (known as gross receipts) or (3) via an alternative formula that can be based on gross sales or gross profits, whichever the taxpayer chooses.

During the three-year period studied, between 91 and 94 percent of the State's Corporation Business Tax revenue was derived from the first category, the standard tax. Between 5 and 8 percent came from the minimum tax on gross receipts. Less than 1 percent came from the alternative tax.

Data over the last three years show the taxable profit earned by New Jersey business taxpayers is highly concentrated among a small number of companies. Less than 2 percent of corporate taxpayers account for 87 percent of the profits reported in New Jersey. Nearly two-thirds of the companies that file returns in New Jersey report no taxable profit, and thus, do not pay the standard tax.

Companies reduce their exposure to the standard tax through numerous deductions such as salaries, rent, bad debts and the cost of selling products. A large number of companies pay the

¹ An archive of these reports dating back to Tax Year 2001 can be found at <http://www.state.nj.us/treasury/taxation/soiintro.shtml>

minimum tax, but the maximum exposure they face is no more than \$2,000 each. The State receives very little revenue from the alternative tax.

The effective tax rate for the CBT is close to 9 percent. That is, for every dollar of taxable corporate profits, the State receives about 9 cents in tax revenue.

In filling out the CBT-100 form, companies determine whether they have a balance due, or whether they have already paid more than their tax liability for that year. The data show that overpayments exceeded balances due overall in each of the three years, by amounts ranging from \$700M to \$1.2B.² Companies can take these overpayments in the form of refunds, or carry them forward as credits against their liability in future years.

Like the federal corporation tax, New Jersey's CBT allows companies to choose their fiscal year — for example, they may compute their gross income over a period from January through December, or the 12 months from July of one year through the end of June the following year. In New Jersey, roughly three quarters of companies file for periods ending in December.

Using the first two digits of the standard North American Industry Classification System, the largest category in New Jersey in terms of number of companies is “professional, scientific, and technical services.” This also was the largest industry in terms of taxable profit and tax revenue in 2014. However, in 2013 and 2015, the largest industry in terms of taxable profit and tax revenue was “manufacturing.”

III. Results

1. Allocated Net Income (Table 1)

The Appendix to this report reproduces the main page of the CBT-100 return form. The first three lines of this form are (1) “entire net income,” (2) “allocation factor,” and (3) “allocated net income.”

Entire net income is similar to “profit,” in that it is calculated (on Schedule A) by subtracting costs (e.g. labor costs, reductions in inventory, etc.) from gross receipts or sales. Note that the calculation of entire net income closely mirrors the calculation of “taxable income” on the IRS form 1120, which is the U.S. Corporation Income Tax Return.

Allocated net income (ANI) is the share of entire net income that the firm allocates to New Jersey, as opposed to other jurisdictions. To calculate their allocated net income, firms multiply their entire net income by their **allocation factor**, which is the ratio (calculated on Schedule J) between their New Jersey receipts and their receipts everywhere. In other words, New Jersey's corporate tax uses a “single sales factor” allocation method.

² Note that the State still receives revenue from firms reporting overpayments, but this revenue comes in the form of estimated payments rather than final payments.

ANI is **highly concentrated** in relatively few firms. For example, in all three years from 2013–2015, firms with ANI above \$1M make up less than **2% of returns**, but they always make up more than **87% of the total ANI** reported.

A **majority** of firms (**63.4%–63.9%**) report **zero ANI**. That is, they declare in essence that their costs are greater than their receipts, and since they are not allowed to enter a negative amount on Line 1, they enter an amount of zero.³

The **average allocation factor** is the sum (over all returns) of ANI, divided by the sum of entire net income. This average allocation factor was **2.8%** in 2013, **2.5%** in 2014, and **2.6%** in 2015. This means that the allocated net income claimed by firms filing New Jersey’s CBT-100 form *is less than 3% of companies’ entire net income*. These figures are lower than New Jersey’s share of the U.S. GDP, which is in the 3.1%–3.2% range.⁴

2. Schedule Tax vs. Minimum Taxes (Tables 2–3)

The CBT-100 is structured so that corporate filers are responsible for paying the **greatest of three values**:

- (A) The “**schedule tax**,” calculated by multiplying the “tax base” (usually equal to *allocated* net income) by a rate that depends on *entire* net income.⁵
- (B) The “**gross receipts minimum tax**,” either \$500, \$750, \$1,000, \$1,500, or \$2,000, depending on the firm’s amount of New Jersey gross receipts (i.e. gross sales).⁶

³ Recent federal Corporation Income Tax returns show a similar pattern. For example, in Tax Year 2013, only 50.8% of returns (other than forms 1120S, 1120-REIT, and 1120-RIC) reported positive net income, only 33.0% of returns had income subject to tax, and only 29.8% had a positive tax liability after the application of tax credits. See Table 18, Column 1 of the IRS’s Corporation Complete Report, archived at <https://www.irs.gov/statistics/soi-tax-stats-corporation-complete-report>

⁴ See for example Table 3 of U.S. Bureau of Economic Analysis, “Gross Domestic Product by State: Fourth Quarter and Annual 2016,” news release (May 11, 2017),

⁵ Note that unlike New Jersey’s Gross Income Tax (GIT), in which the tax base and the tax rate both depend on taxable income, the tax base and the tax rate in the CBT are determined by different variables. That is, although the tax base is usually equivalent to *allocated* net income, the tax rate is determined by *entire* net income, according to the following table:

entire net income	schedule tax rate
> \$100K	9%
\$50K – \$100K	7.5%
< \$50K	6.5%

⁶ The following table shows how the minimum tax depends on gross sales:

gross sales	minimum tax amount
< \$100K	\$500
\$ 100K – \$250K	\$750
\$250K – \$500K	\$1,000
\$500K – \$1M	\$1,500
> \$1M	\$2,000

(C) The “**alternative minimum assessment**,” calculated according either to New Jersey gross receipts or New Jersey gross profits, depending on the firm’s preference.⁷

Table 2 below shows that a large **majority of returns (81.1%–82.3%)** pay the **gross receipts minimum tax**, while most of the remainder (17.5%–18.7%) pay the schedule tax, and very few (0.2%) pay the alternative minimum assessment.

Firms with higher ANI are more likely to pay the schedule tax, while those with lower ANI are more likely to pay the gross receipts minimum tax. In all years, more than 90% of firms in each of the top four ANI groups pay the schedule tax,⁸ while more than 90% of firms in each of the bottom three ANI groups pay the gross receipts minimum tax.

Table 3 shows that although most firms pay the gross receipts minimum, **most of the CBT tax revenue (91.8%–94.1%)** comes from firms that pay the **schedule tax**. Most of the remainder (5.6%–7.7%) comes from firms that pay the gross receipts minimum tax, and once again very little (0.3%–0.5%) comes from firms that pay the alternative minimum assessment.

3. Effective Tax Rates (Table 4)

Effective tax rates, calculated as tax liability divided by the tax base, are in the **8.7%–10.0%** range on average; the result varies slightly depending on which definitions of “liability” and “base” are used.

Table 4 reports effective tax rates for two “base” lines (Line 3, “allocated net income”; and Line 8, “tax base”⁹) and two “liability” lines (Line 13, “tax due”¹⁰ and Line 18, “total tax and professional corporation fees”¹¹), giving four alternative calculations of the effective tax rate. All of the rates thus calculated are in the **8.6%–8.9%** range, with the exception of those using Line 18 definition of liability in tax year 2013, which are 10.0%.

Note that for firms with the lowest values of ANI, tax rates are often in excess of 100%; this is because those firms are paying either a gross receipts minimum tax or an alternative minimum assessment.

⁷ The alternative minimum assessment is calculated in Parts I–VI of Schedule AM. The alternative minimum assessment based on gross profits (Part IV) multiplies New Jersey gross profits by a tax rate that ranges from 0% to 0.8% depending on the amount of gross profits. The alternative minimum assessment based on gross receipts (Part V) multiplies New Jersey gross receipts by a tax rate that ranges from 0% to 0.4% depending on the amount of gross receipts. If gross profits are exactly half of gross receipts, then the two types of alternative minimum assessment will be equal.

⁸ However, there are a few firms even in the highest ANI group that pay the gross receipts minimum tax. This is possible because if the firm claims tax credits on Schedule A-3, these credits are applied on Line 10 of the CBT-100, which comes after the computation of the schedule tax but before the application of the alternative minimum assessment and gross receipts minimum tax on Lines 12 and 13.

⁹ Line 8 (“tax base”) is equal to Line 3 (“allocated net income”) on over 99% of returns. The amounts differ only for firms that have allocated New Jersey nonoperational income (Line 4b), firms that file as an “investment company” (Line 6), or firms that file as a “real estate investment trust” (Line 7).

¹⁰ Line 13 (“tax due”) is the *greatest* of three values: the schedule tax (Line 9) minus credits (Line 10), the alternative minimum assessment (Line 12), or the gross receipts minimum tax (Line 7 of Schedule A-GR).

¹¹ Line 18 (“total tax and professional corporation fees”) is equal to Line 13 plus the sum of three other lines: Line 14 (“key corporation AMA payment”), Line 16 (“installment payment”), and Line 17 (“professional corporation fees”).

4. Taxes vs. Credits (Tables 5–6)

Table 5 shows that the sum of **payments and credits** claimed on the CBT-100 (Column 2) **exceeded** the sum of **taxes and fees** due (Column 1) by approximately **\$718M** in 2013, **\$1.1B** in 2014, and **\$1.3B** in 2015.

Similarly, it shows the sum of claimed overpayments (Column 4) exceeded the sum of balances due (Column 3) by approximately **\$745M** in 2013, **\$821M** in 2014, and **\$1.2B** in 2015.

Table 6 shows that although it is more common for firms to have a balance due (Column 1) than to have overpaid (Column 4), the average dollar value of overpayments when they occur (Column 6) is much greater than the average size of a balance due (Column 3). That is, whereas the average dollar value of a balance due is in the **\$3.3K–\$7.9K** range, the average overpayment is in the **\$32.3K–\$35.4K** range.

Firms can reclaim these overpayments in the form of refunds, or they can carry them forward indefinitely as credits against their tax liability in future years.

5. Accounting Periods (Table 7)

A corporation's tax year can extend over any twelve-month period. (They cannot, however, file for partial months; for example, a return ending on October 15th would not be allowed.)

Table 7 shows that the majority (**68.6%–74.8%** of the total returns) choose accounting periods that end on **December 31st**, paying **71.4%–74.7%** of total taxes and fees.

The next-most-common end months are March, June, and September. Individually, these months can account for 3.9%–4.8% of returns (depending on year), or 1.4%–8.1% of tax revenue.

6. Industry Classifications (Tables 8–10)

The CBT-100 form includes a field for the “**federal business activity code**,” which must match the “business activity code” on the firm's federal corporation income tax return. The instructions of the federal return provide a list of activity codes,¹² based on the standard **North American Industry Classification System** (NAICS).¹³

Tables 8, 9, and 10 break down the number of returns, allocated net income, and tax liability among the 20 top-level classifications, which are indicated by the first two NAICS digits. The “**professional, scientific, and technical services**” industry has the largest number of returns in all three years; in 2014, it is also the largest in terms of both ANI and tax liability. In 2013 and 2015, the largest industry in terms of ANI and tax liability is “**manufacturing**.”

¹² A copy of these instructions can be found at <https://www.irs.gov/pub/irs-pdf/i1120.pdf>

¹³ A copy of the NAICS manual can be found at https://www.census.gov/eos/www/naics/2017NAICS/2017_NAICS_Manual.pdf

Table 1. N.J. CBT-100 Entire Net Income, Allocated Net Income, and Average Allocation Factors

Money amounts in thousands of dollars.

Allocated net income ^[1]	Counts	Sums ^[2]		Percentages ^[3]		Ratios ^[4]
	Number of returns	Entire net income (\$K)	Allocated net income (\$K)	Entire net income	Allocated net income	Average allocation factor
	(1)	(2)	(3)	(4)	(5)	(6)
2013						
Total	129,157	784,292,930	21,858,695	100.0%	100.0%	2.8%
at least 100M	22	66,585,253	5,026,987	8.5%	23.0%	7.5%
at least 10M, below 100M	320	219,006,329	8,090,692	27.9%	37.0%	3.7%
at least 1M, below 10M	2,065	231,799,561	5,993,277	29.6%	27.4%	2.6%
at least 100K, below 1M	6,427	107,967,321	2,101,894	13.8%	9.6%	1.9%
at least 10K, below 100K	16,601	33,359,446	578,796	4.3%	2.6%	1.7%
at least 1K, below 10K	14,899	14,957,308	64,454	1.9%	0.3%	0.4%
greater than 0, below 1K	6,388	4,612,982	2,596	0.6%	0.0%	0.1%
exactly 0	82,435	106,004,731	0	13.5%	0.0%	0.0%
2014						
Total	125,052	881,704,489	22,104,774	100.0%	100.0%	2.5%
at least 100M	21	100,435,164	5,504,377	11.4%	24.9%	5.5%
at least 10M, below 100M	318	213,888,514	7,995,400	24.3%	36.2%	3.7%
at least 1M, below 10M	2,013	229,125,099	5,894,728	26.0%	26.7%	2.6%
at least 100K, below 1M	6,406	123,553,593	2,074,204	14.0%	9.4%	1.7%
at least 10K, below 100K	16,223	40,215,641	571,088	4.6%	2.6%	1.4%
at least 1K, below 10K	14,243	10,910,493	62,499	1.2%	0.3%	0.6%
greater than 0, below 1K	5,895	2,816,396	2,476	0.3%	0.0%	0.1%
exactly 0	79,933	160,759,588	0	18.2%	0.0%	0.0%
2015						
Total	120,566	907,753,224	23,500,622	100.0%	100.0%	2.6%
at least 100M	29	125,306,525	7,515,071	13.8%	32.0%	6.0%
at least 10M, below 100M	311	218,438,126	7,367,208	24.1%	31.3%	3.4%
at least 1M, below 10M	2,033	224,768,441	5,809,914	24.8%	24.7%	2.6%
at least 100K, below 1M	6,710	123,694,166	2,176,169	13.6%	9.3%	1.8%
at least 10K, below 100K	16,180	29,298,767	570,363	3.2%	2.4%	1.9%
at least 1K, below 10K	13,546	9,617,556	59,750	1.1%	0.3%	0.6%
greater than 0, below 1K	5,261	2,244,419	2,148	0.2%	0.0%	0.1%
exactly 0	76,496	174,385,224	0	19.2%	0.0%	0.0%

[1] From Line 3 of the N.J. CBT-100, "Allocated net income."

[2] Sums from Line 1, "Entire net income," and Line 3, "Allocated net income."

[3] Percentage shares in Columns 4–6 calculated by dividing the counts and sums in Columns 1–3 by their respective top-line totals.

[4] Dividing Column 3 by Column 2 gives average allocation factors.

Table 2. N.J. CBT-100 Returns by Type of Tax Paid: Schedule Tax, Gross Receipts Minimum Tax, or Alternative Minimum Assessment

Allocated net income ^[1]	Number of returns	# paying schedule tax ^[2]	# paying gross rec. min. tax ^[3]	# paying alt. min. assmt. ^[4]	% paying schedule tax ^[5]	% paying gross rec. min. tax	% paying alt. min. assmt.
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
2013							
Total	129,157	22,600	106,328	229	17.5%	82.3%	0.2%
at least 100M	22	20	2	0	90.9%	9.1%	0.0%
at least 10M, below 100M	320	309	11	0	96.6%	3.4%	0.0%
at least 1M, below 10M	2,065	2,032	31	2	98.4%	1.5%	0.1%
at least 100K, below 1M	6,427	6,382	42	3	99.3%	0.7%	0.0%
at least 10K, below 100K	16,601	12,666	3,924	11	76.3%	23.6%	0.1%
at least 1K, below 10K	14,899	924	13,970	5	6.2%	93.8%	0.0%
greater than 0, below 1K	6,388	15	6,373	0	0.2%	99.8%	0.0%
exactly 0	82,435	252	81,975	208	0.3%	99.4%	0.3%
2014							
Total	125,052	22,154	102,589	309	17.7%	82.0%	0.2%
at least 100M	21	20	1	0	95.2%	4.8%	0.0%
at least 10M, below 100M	318	308	9	1	96.9%	2.8%	0.3%
at least 1M, below 10M	2,013	1,961	48	4	97.4%	2.4%	0.2%
at least 100K, below 1M	6,406	6,309	92	5	98.5%	1.4%	0.1%
at least 10K, below 100K	16,223	12,341	3,862	20	76.1%	23.8%	0.1%
at least 1K, below 10K	14,243	911	13,325	7	6.4%	93.6%	0.0%
greater than 0, below 1K	5,895	13	5,879	3	0.2%	99.7%	0.1%
exactly 0	79,933	291	79,373	269	0.4%	99.3%	0.3%
2015							
Total	120,566	22,527	97,802	237	18.7%	81.1%	0.2%
at least 100M	29	28	1	0	96.6%	3.4%	0.0%
at least 10M, below 100M	311	301	10	0	96.8%	3.2%	0.0%
at least 1M, below 10M	2,033	2,001	29	3	98.4%	1.4%	0.1%
at least 100K, below 1M	6,710	6,641	61	8	99.0%	0.9%	0.1%
at least 10K, below 100K	16,180	12,405	3,765	10	76.7%	23.3%	0.1%
at least 1K, below 10K	13,546	869	12,673	4	6.4%	93.6%	0.0%
greater than 0, below 1K	5,261	6	5,255	0	0.1%	99.9%	0.0%
exactly 0	76,496	276	76,008	212	0.4%	99.4%	0.3%

[1] From Line 3 of the N.J. CBT-100, "Allocated net income."

[2] Filers paying according to Line 11, "Total CBT tax liability."

[3] Filers paying according to Line 7 of Schedule A-GR, "Computation of New Jersey Gross Receipts and Minimum Tax."

[4] Filers paying according to Line 12, "Alternative minimum assessment."

[5] Percentages in Columns 5–7 calculated by dividing the counts in Columns 2–4 by the overall counts in Column 1.

Table 3. NJ CBT-100 Returns, Allocated Net Income, and Total Taxes and Fees, by Type of Tax Paid

Type of tax calculation ^[1]	Counts	Sums (\$K)		Percentages ^[4]		
	Number of returns	Allocated net income ^[2]	Total taxes and fees ^[3]	Percent of returns	Percent of allocated net income	Percent of total taxes and fees
	(1)	(2)	(3)	(4)	(5)	(6)
2013						
Total	129,157	21,858,695	2,182,889	100.0%	100.0%	100.0%
Schedule tax	22,600	20,990,971	2,054,577	17.5%	96.0%	94.1%
Gross receipts minimum tax	106,328	860,147	121,889	82.3%	3.9%	5.6%
Alternative minimum assessment	229	7,578	6,423	0.2%	0.0%	0.3%
2014						
Total	125,052	22,104,774	1,945,655	100.0%	100.0%	100.0%
Schedule tax	22,154	21,399,490	1,786,029	17.7%	96.8%	91.8%
Gross receipts minimum tax	102,589	665,880	149,051	82.0%	3.0%	7.7%
Alternative minimum assessment	309	39,404	10,575	0.2%	0.2%	0.5%
2015						
Total	120,566	23,500,622	2,089,442	100.0%	100.0%	100.0%
Schedule tax	22,527	22,636,198	1,949,482	18.7%	96.3%	93.3%
Gross receipts minimum tax	97,802	856,143	134,178	81.1%	3.6%	6.4%
Alternative minimum assessment	237	8,280	5,783	0.2%	0.0%	0.3%

^[1] "Schedule tax" filers pay according to Line 11. "Gross receipts minimum tax" filers pay according to Line 7 of Schedule A-GR. "Alternative minimum assessment" filers pay according to Line 12.

^[2] From Line 3, "Allocated net income."

^[3] From Line 18, "Total tax and professional corporation fees."

^[4] Percentage shares in Columns 4–6 calculated by dividing the counts and sums in Columns 1–3 by their respective top-line totals.

Table 4. N.J. CBT-100 Effective Tax Rates

Money amounts in thousands of dollars.

Allocated net income ^[1]	Tax base variables ^[2]		Tax liability variables ^[3]		Effective tax rates ^[4]			
	Allocated net income (Line 3)	Tax base (Line 8)	Tax Due (Line 13)	Total taxes and fees (Line 18)	Line 13 ÷ Line 3	Line 13 ÷ Line 8	Line 18 ÷ Line 3	Line 18 ÷ Line 8
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
2013								
Total	21,858,695	21,814,916	1,902,989	2,182,889	8.7%	8.7%	10.0%	10.0%
at least 100M	5,026,987	4,809,568	361,295	361,295	7.2%	7.5%	7.2%	7.5%
at least 10M, below 100M	8,090,692	8,026,532	663,960	665,655	8.2%	8.3%	8.2%	8.3%
at least 1M, below 10M	5,993,277	5,941,400	515,317	518,627	8.6%	8.7%	8.7%	8.7%
at least 100K, below 1M	2,101,894	2,096,212	185,513	440,137	8.8%	8.8%	20.9%	21.0%
at least 10K, below 100K	578,796	583,942	47,813	48,884	8.3%	8.2%	8.4%	8.4%
at least 1K, below 10K	64,454	65,264	14,095	15,090	21.9%	21.6%	23.4%	23.1%
greater than 0, below 1K	2,596	5,581	5,128	5,674	197.5%	91.9%	218.6%	101.7%
exactly 0	0	286,417	109,869	127,529		38.4%		44.5%
2014								
Total	22,104,774	21,927,580	1,893,272	1,945,655	8.6%	8.6%	8.8%	8.9%
at least 100M	5,504,377	5,374,272	389,584	389,584	7.1%	7.2%	7.1%	7.2%
at least 10M, below 100M	7,995,400	7,874,618	658,881	659,013	8.2%	8.4%	8.2%	8.4%
at least 1M, below 10M	5,894,728	5,848,124	503,345	505,234	8.5%	8.6%	8.6%	8.6%
at least 100K, below 1M	2,074,204	2,069,645	182,624	183,503	8.8%	8.8%	8.8%	8.9%
at least 10K, below 100K	571,088	571,663	46,805	47,657	8.2%	8.2%	8.3%	8.3%
at least 1K, below 10K	62,499	62,411	13,691	14,636	21.9%	21.9%	23.4%	23.5%
greater than 0, below 1K	2,476	2,561	4,225	4,708	170.7%	165.0%	190.1%	183.8%
exactly 0	0	124,286	94,117	141,321		75.7%		113.7%
2015								
Total	23,500,622	23,380,475	2,045,005	2,089,442	8.7%	8.7%	8.9%	8.9%
at least 100M	7,515,071	7,443,137	593,149	593,149	7.9%	8.0%	7.9%	8.0%
at least 10M, below 100M	7,367,208	7,221,791	603,646	603,784	8.2%	8.4%	8.2%	8.4%
at least 1M, below 10M	5,809,914	5,759,361	499,614	503,831	8.6%	8.7%	8.7%	8.7%
at least 100K, below 1M	2,176,169	2,192,388	195,386	196,137	9.0%	8.9%	9.0%	8.9%
at least 10K, below 100K	570,363	571,009	47,209	48,029	8.3%	8.3%	8.4%	8.4%
at least 1K, below 10K	59,750	60,038	12,711	13,565	21.3%	21.2%	22.7%	22.6%
greater than 0, below 1K	2,148	2,537	3,722	4,186	173.3%	146.7%	194.9%	165.0%
exactly 0	0	130,215	89,568	126,762		68.8%		97.3%

[1] From Line 3 of the N.J. CBT-100, "Allocated net income."

[2] Line 3 is "Allocated net income." Line 8 is "Tax base."

[3] Line 15 is "Subtotal." Line 18 is "Total tax and professional corporation fees."

[4] Percentages in columns 5–8 calculated by dividing each of the tax liability variables by each of the tax base variables in turn.

Table 5. N.J. CBT-100 Tax Liabilities vs. Payments and Credits

Money amounts in thousands of dollars.

Allocated net income ^[1]	Sums				% of returns with line amount above zero ^[6]	
	Taxes and fees ^[2]	Payments & credits ^[3]	Balance due ^[4]	Over-payment ^[5]	Balance due	Over-payment
	(1)	(2)	(3)	(4)	(5)	(6)
2013						
Total	2,182,889	2,900,871	508,435	1,253,091	50.0%	30.0%
at least 100M	361,295	371,010	33,554	118,797	27.3%	72.7%
at least 10M, below 100M	665,655	883,692	58,370	284,278	24.1%	70.6%
at least 1M, below 10M	518,627	794,319	44,790	310,196	21.8%	69.2%
at least 100K, below 1M	440,137	320,188	287,058	158,508	36.4%	56.9%
at least 10K, below 100K	48,884	83,347	19,051	43,838	54.0%	37.5%
at least 1K, below 10K	15,090	21,413	5,598	10,084	52.3%	28.2%
greater than 0, below 1K	5,674	9,767	1,990	2,986	54.0%	24.4%
exactly 0	127,529	417,136	58,023	324,404	50.4%	26.0%
2014						
Total	1,945,655	3,002,664	462,452	1,283,490	48.5%	31.8%
at least 100M	389,584	497,958	3,657	105,819	9.5%	85.7%
at least 10M, below 100M	659,013	899,864	26,999	292,249	18.6%	77.7%
at least 1M, below 10M	505,234	797,760	35,817	338,410	18.8%	74.6%
at least 100K, below 1M	183,503	327,718	29,236	167,616	34.4%	60.7%
at least 10K, below 100K	47,657	81,441	15,765	49,128	53.0%	39.8%
at least 1K, below 10K	14,636	22,071	5,228	13,361	51.8%	29.3%
greater than 0, below 1K	4,708	6,442	1,753	3,453	51.9%	26.2%
exactly 0	141,321	369,409	343,998	313,453	48.8%	27.5%
2015						
Total	2,089,442	3,345,885	190,389	1,398,531	47.4%	32.8%
at least 100M	593,149	728,369	46,925	181,585	20.7%	75.9%
at least 10M, below 100M	603,784	857,458	27,595	295,733	15.1%	84.6%
at least 1M, below 10M	503,831	768,983	34,973	323,455	19.0%	78.7%
at least 100K, below 1M	196,137	316,896	35,037	163,586	36.1%	61.3%
at least 10K, below 100K	48,029	75,075	16,131	45,877	53.4%	39.7%
at least 1K, below 10K	13,565	19,162	4,819	11,195	51.3%	29.7%
greater than 0, below 1K	4,186	5,594	1,557	3,425	51.7%	26.4%
exactly 0	126,762	574,346	23,351	373,676	47.1%	

[1] From Line 3 of the N.J. CBT-100, "Allocated net income."

[2] Sums from Line 18, "Total tax and professional corporation fees."

[3] Sums from Line 19, "Payments & credits."

[4] Sums from Line 22, "Total balance due."

[5] Sums from Line 23, "Amount of overpayment."

[6] Column 5 gives the percentage of returns that have a value greater than zero on Line 20. Column 6 gives the percentage of returns that have a value greater than zero on Line 23.

Table 6. NJ CBT-100 Balance Due vs. Overpayment

Money amounts in thousands of dollars.

Tax year	Balance Due ^[1]			Overpayment ^[3]		
	Number ^[2]	Sum (\$K)	Average (\$K)	Number ^[4]	Sum (\$K)	Average (\$K)
	(1)	(2)	(3)	(4)	(5)	(6)
2013	64,595	508,435	7.9	38,772	1,253,091	32.3
2014	60,666	462,452	7.6	39,783	1,283,490	32.3
2015	57,193	190,389	3.3	39,535	1,398,531	35.4

^[1] From Line 22 of the NJ CBT-100, "Total balance due."

^[2] Number of returns that indicate a positive value on Line 22.

^[3] From Line 23 of the NJ CBT-100, "Amount of overpayment."

^[4] Number of returns that indicate a positive value on Line 23.

Table 7. N.J. CBT-100 Returns by Ending Accounting Period

Money amounts in thousands of dollars.

Ending accounting period ^[1]	Number of returns	% of returns	Allocated net income (\$K) ^[2]	% of yearly allocated net income	Total taxes and fees (\$K) ^[3]	% of yearly taxes and fees
	(1)	(2)	(3)	(4)	(5)	(6)
2013						
Total	129,157	100.0%	21,858,695	100.0%	2,182,889	100.0%
January	1,827	1.4%	927,285	4.2%	77,748	3.6%
February	1,753	1.4%	990,708	4.5%	88,989	4.1%
March	5,544	4.3%	1,158,851	5.3%	105,873	4.9%
April	2,055	1.6%	93,807	0.4%	10,288	0.5%
May	1,928	1.5%	581,401	2.7%	52,907	2.4%
June	6,225	4.8%	1,011,879	4.6%	93,749	4.3%
July	1,826	1.4%	434,739	2.0%	40,378	1.8%
August	1,815	1.4%	240,876	1.1%	22,362	1.0%
September	5,650	4.4%	995,711	4.6%	92,281	4.2%
October	2,258	1.7%	328,047	1.5%	28,773	1.3%
November	1,525	1.2%	110,191	0.5%	10,610	0.5%
December	96,751	74.9%	14,985,201	68.6%	1,558,932	71.4%
2014						
Total	125,052	100.0%	22,104,774	100.0%	1,945,655	100.0%
January	1,838	1.5%	216,008	1.0%	16,835	0.9%
February	1,715	1.4%	380,587	1.7%	35,133	1.8%
March	5,357	4.3%	1,114,354	5.0%	95,476	4.9%
April	1,976	1.6%	178,446	0.8%	17,428	0.9%
May	1,854	1.5%	364,536	1.6%	33,528	1.7%
June	5,909	4.7%	1,813,464	8.2%	157,943	8.1%
July	1,684	1.3%	106,360	0.5%	10,751	0.6%
August	1,721	1.4%	271,903	1.2%	24,301	1.2%
September	5,436	4.3%	1,317,837	6.0%	65,394	3.4%
October	2,194	1.8%	226,111	1.0%	21,428	1.1%
November	1,419	1.1%	133,887	0.6%	14,482	0.7%
December	93,949	75.1%	15,981,280	72.3%	1,452,955	74.7%
2015						
Total	120,566	100.0%	23,500,622	100.0%	2,089,442	100.0%
January	2,008	1.7%	1,068,322	4.5%	92,877	4.4%
February	1,504	1.2%	159,419	0.7%	14,848	0.7%
March	4,997	4.1%	1,129,392	4.8%	103,423	4.9%
April	1,789	1.5%	273,738	1.2%	26,220	1.3%
May	1,682	1.4%	669,820	2.9%	61,588	2.9%
June	4,747	3.9%	279,335	1.2%	28,651	1.4%
July	1,479	1.2%	458,717	2.0%	43,491	2.1%
August	1,561	1.3%	170,104	0.7%	19,645	0.9%
September	4,707	3.9%	1,078,742	4.6%	104,768	5.0%
October	2,016	1.7%	475,799	2.0%	45,041	2.2%
November	1,367	1.1%	149,414	0.6%	15,983	0.8%
December	92,709	76.9%	17,587,820	74.8%	1,532,909	73.4%

^[1] Years reported here are calendar years as opposed to fiscal years.

^[2] From Line 3 of the N.J. CBT-100, "Allocated net income."

^[3] From Line 18 of the N.J. CBT-100, "Total tax and professional corporation fees."

Table 8. N.J. CBT-100 Returns by Industry Classification

Industry classification ⁽¹⁾	NAICS code prefix ⁽²⁾	2013		2014		2015	
		Number of returns (1)	% of returns (2)	Number of returns (3)	% of returns (4)	Number of returns (5)	% of returns (6)
Total		129,157	100.0%	125,052	100.0%	120,566	100.0%
Agriculture, Forestry, Fishing, and Hunting	11	627	0.5%	597	0.5%	565	0.5%
Mining, Quarrying, and Oil and Gas Extraction	21	143	0.1%	140	0.1%	134	0.1%
Utilities	22	287	0.2%	296	0.2%	288	0.2%
Construction	23	11,354	8.8%	10,934	8.7%	10,363	8.6%
Manufacturing	31-33	10,814	8.4%	10,721	8.6%	10,366	8.6%
Wholesale Trade	42	12,655	9.8%	12,529	10.0%	12,234	10.1%
Retail Trade	44-45	10,895	8.4%	10,344	8.3%	9,802	8.1%
Transportation and Warehousing	48-49	7,326	5.7%	7,257	5.8%	7,272	6.0%
Information	51	3,680	2.8%	3,705	3.0%	3,580	3.0%
Finance and Insurance	52	7,918	6.1%	7,941	6.4%	8,105	6.7%
Real Estate and Rental and Leasing	53	9,838	7.6%	9,620	7.7%	9,326	7.7%
Professional, Scientific, and Technical Services	54	20,295	15.7%	20,005	16.0%	19,804	16.4%
Management of Companies and Enterprises	55	2,895	2.2%	2,961	2.4%	3,094	2.6%
Administrative and Support and Waste Management and Remediation	56	4,877	3.8%	4,710	3.8%	4,542	3.8%
Educational Services	61	885	0.7%	848	0.7%	833	0.7%
Health Care and Social Assistance	62	4,988	3.9%	4,860	3.9%	4,673	3.9%
Arts, Entertainment, and Recreation	71	1,959	1.5%	1,884	1.5%	1,889	1.6%
Accommodation and Food Services	72	4,558	3.5%	4,415	3.5%	4,243	3.5%
Other Services (except Public Administration)	81	7,100	5.5%	6,752	5.4%	6,479	5.4%
Public Administration	92	2	0.0%	3	0.0%	4	0.0%
Invalid ⁽³⁾		6,061	4.7%	4,530	3.6%	2,970	2.5%

⁽¹⁾ According to the North American Industry Classification System (NAICS).

⁽²⁾ The first two digits of the NAICS code submitted with the tax return in the line marked "Federal business activity code."

⁽³⁾ To be considered valid for these purposes, a NAICS code must have six digits, and begin with one of the two-digit prefixes listed in Column 1.

Table 9. N.J. CBT-100 Allocated Net Income by Industry Classification

Money amounts in thousands of dollars.

Industry classification ⁽¹⁾	NAICS code prefix ⁽²⁾	2013		2014		2015	
		Allocated net income ⁽³⁾	% of allocated net income	Allocated net income	% of allocated net income	Allocated net income	% of allocated net income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total		21,858,695	100.0%	22,104,774	100.0%	23,500,622	100.0%
Agriculture, Forestry, Fishing, and Hunting	11	23,071	0.1%	27,928	0.1%	51,838	0.2%
Mining, Quarrying, and Oil and Gas Extraction	21	45,283	0.2%	1,783	0.0%	11,122	0.0%
Utilities	22	217,033	1.0%	18,389	0.1%	819,714	3.5%
Construction	23	295,106	1.4%	2,041,293	9.2%	371,357	1.6%
Manufacturing	31-33	5,026,930	23.0%	1,192,928	5.4%	5,869,563	25.0%
Wholesale Trade	42	2,302,462	10.5%	2,922,298	13.2%	2,184,687	9.3%
Retail Trade	44-45	1,985,033	9.1%	1,784,358	8.1%	1,769,999	7.5%
Transportation and Warehousing	48-49	443,360	2.0%	971,190	4.4%	467,772	2.0%
Information	51	1,214,646	5.6%	391,016	1.8%	1,261,765	5.4%
Finance and Insurance	52	2,465,275	11.3%	1,466,848	6.6%	3,124,779	13.3%
Real Estate and Rental and Leasing	53	682,137	3.1%	1,577,992	7.1%	898,903	3.8%
Professional, Scientific, and Technical Services	54	2,473,682	11.3%	3,062,949	13.9%	2,524,513	10.7%
Management of Companies and Enterprises	55	1,741,878	8.0%	860,352	3.9%	2,499,035	10.6%
Administrative and Support and Waste Management and Remediation	56	473,483	2.2%	764,486	3.5%	327,182	1.4%
Educational Services	61	40,271	0.2%	294,275	1.3%	35,490	0.2%
Health Care and Social Assistance	62	331,346	1.5%	567,832	2.6%	513,017	2.2%
Arts, Entertainment, and Recreation	71	87,187	0.4%	296,340	1.3%	122,944	0.5%
Accommodation and Food Services	72	168,329	0.8%	777,979	3.5%	189,106	0.8%
Other Services (except Public Administration)	81	121,007	0.6%	1,738,657	7.9%	139,786	0.6%
Public Administration	92	200	0.0%	21	0.0%	441	0.0%
Invalid ⁽⁴⁾		1,720,976	7.9%	1,345,859	6.1%	317,609	1.4%

⁽¹⁾ According to the North American Industry Classification System (NAICS).

⁽²⁾ The first two digits of the NAICS code submitted with the tax return in the line marked "Federal business activity code."

⁽³⁾ From Line 3 of the NJ CBT-100, "Allocated net income."

⁽⁴⁾ To be considered valid for these purposes, a NAICS code must have six digits, and begin with one of the two-digit prefixes listed in Column 1.

Table 10. N.J. CBT-100 Total Taxes and Fees by Industry Classification

Money amounts in thousands of dollars.

Industry classification ⁽¹⁾	NAICS code prefix ⁽²⁾	2013		2014		2015	
		Total taxes and fees ⁽³⁾ (2)	% of total taxes and fees (3)	Total taxes and fees (4)	% of total taxes and fees (5)	Total taxes and fees (6)	% of total taxes and fees (7)
Total		2,182,889	100.0%	1,945,655	100.0%	2,089,442	100.0%
Agriculture, Forestry, Fishing, and Hunting	11	2,639	0.1%	2,887	0.1%	5,097	0.2%
Mining, Quarrying, and Oil and Gas Extraction	21	3,244	0.1%	301	0.0%	1,133	0.1%
Utilities	22	17,786	0.8%	1,868	0.1%	69,309	3.3%
Construction	23	34,419	1.6%	187,509	9.6%	40,997	2.0%
Manufacturing	31-33	389,557	17.8%	104,843	5.4%	462,293	22.1%
Wholesale Trade	42	216,091	9.9%	239,845	12.3%	205,253	9.8%
Retail Trade	44-45	180,388	8.3%	142,542	7.3%	162,607	7.8%
Transportation and Warehousing	48-49	44,699	2.0%	93,377	4.8%	46,366	2.2%
Information	51	111,961	5.1%	36,920	1.9%	116,184	5.6%
Finance and Insurance	52	219,530	10.1%	132,342	6.8%	272,831	13.1%
Real Estate and Rental and Leasing	53	71,123	3.3%	144,972	7.5%	85,418	4.1%
Professional, Scientific, and Technical Services	54	212,892	9.8%	269,765	13.9%	219,928	10.5%
Management of Companies and Enterprises	55	146,516	6.7%	60,031	3.1%	216,689	10.4%
Administrative and Support and Waste Management and Remediation	56	38,251	1.8%	71,407	3.7%	31,576	1.5%
Educational Services	61	4,172	0.2%	23,876	1.2%	3,540	0.2%
Health Care and Social Assistance	62	35,563	1.6%	54,066	2.8%	51,907	2.5%
Arts, Entertainment, and Recreation	71	9,067	0.4%	26,039	1.3%	12,262	0.6%
Accommodation and Food Services	72	18,006	0.8%	76,085	3.9%	19,212	0.9%
Other Services (except Public Administration)	81	15,261	0.7%	157,738	8.1%	16,452	0.8%
Public Administration	92	19	0.0%	3	0.0%	42	0.0%
Invalid ⁽⁴⁾		411,705	18.9%	119,240	6.1%	50,346	2.4%

⁽¹⁾ According to the North American Industry Classification System (NAICS).

⁽²⁾ The first two digits of the NAICS code submitted with the tax return in the line marked "Federal business activity code."

⁽³⁾ From Line 18 of the NJ CBT-100, "Total tax and professional corporation fees."

⁽⁴⁾ To be considered valid for these purposes, a NAICS code must have six digits, and begin with one of the two-digit prefixes listed in Column 1.

Appendix: First page of the CBT-100

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NEW JERSEY CORPORATION BUSINESS TAX RETURN

**FOR TAXABLE YEARS ENDING ON OR AFTER
JULY 31, 2016 THROUGH JUNE 30, 2017**

Taxable year beginning _____, _____, and ending _____, _____

Type or print the requested information.		State and date of incorporation _____	
FEDERAL EMPLOYER I.D. NUMBER _____	N.J. CORPORATION NUMBER _____	Date authorized to do business in N.J. _____	
CORPORATION NAME _____		Federal business activity code _____	
MAILING ADDRESS _____		Corporation books are in the care of _____	
CITY _____ STATE _____ ZIP CODE _____		at _____	
Telephone Number (____) _____		DIVISION USE	
Check if applicable <input type="checkbox"/> Initial return <input type="checkbox"/> 1120-S filer <input type="checkbox"/> Inactive		RP _____	NP _____ A _____ R _____

1. Entire net income from Schedule A, line 38 (if a net loss, enter zero)	1.	
2. Allocation factor from Schedule J, Non-allocating taxpayers enter 1.000000	2.	0.000000
3. Allocated net income - Multiply line 1 by line 2. Non-allocating taxpayers must enter the amount from line 1	3.	
4. a) Total nonoperational income \$ _____ (Schedule O, Part I) (see instruction 37)	4a.	
b) Allocated New Jersey nonoperational income (Schedule O, Part III)	4b.	
5. Total operational and nonoperational income (line 3 plus line 4b)	5.	
6. Investment Company - Enter 40% of line 1	6.	
7. Real Estate Investment Trust - Enter 4% of line 1	7.	
8. Tax Base - Enter amount from line 5 or line 6 plus 4b, or line 7 plus 4b, whichever is applicable	8.	
9. Amount of Tax - Multiply line 8 by the applicable tax rate (see instruction 11(a))	9.	
10. Tax Credits (from Schedule A-3) (see instruction 43)	10.	
11. TOTAL CBT TAX LIABILITY - line 9 minus line 10	11.	
12. Alternative Minimum Assessment (Schedule AM, Part VI, line 5) <input type="checkbox"/> Check and enter zero if AMA paid by a Key Corporation (see instruction 23)	12.	
13. Tax Due (greater of line 11 or 12 or minimum tax due from Schedule A-GR or instruction 11(d))	13.	
14. Key Corporation AMA Payment (Form 401, Part II, line 5)	14.	
15. Subtotal - (Sum of lines 13 and 14)	15.	
16. Installment Payment - (Only applies if line 13 is \$500 - see instruction 44)	16.	
17. Professional Corporation Fees (Schedule PC, line 5)	17.	
18. TOTAL TAX AND PROFESSIONAL CORPORATION FEES (sum of lines 15, 16, and 17)	18.	
19. Payments & Credits (see instruction 45)	19.	
a) Payments made by Partnerships on behalf of taxpayer (attach copies of all NJK-1's)	19a.	
b) Refundable Tax Credits (see instruction 45(f))	19b.	
20. Balance of Tax Due - line 18 minus line 19, 19a and 19b	20.	
21. Penalty and Interest Due - (see instructions 7(e) and 46)	21.	
22. Total Balance Due - line 20 plus line 21	22.	
23. If line 19 plus 19a plus 19b is greater than line 18 plus line 21, enter the amount of overpayment		\$ _____
24. Amount of Item 23 to be		
Credited to 2017 return		\$ _____
Refunded		\$ _____

SIGNATURE AND VERIFICATION (See Instruction 14)

I declare under the penalties provided by law, that this return (including any accompanying schedules and statements) has been examined by me and to the best of my knowledge and belief is a true, correct and complete return. If the return is prepared by a person other than the taxpayer, his declaration is based on all the information relating to the matters required to be reported in the return of which he has knowledge.

_____ (Date)	_____ (Signature of Duly Authorized Officer of Taxpayer)	_____ (Title)
_____ (Date)	_____ (Signature of Individual Preparing Return)	_____ (Address)
	_____ (Preparer's ID Number)	
_____ (Name of Tax Preparer's Employer)	_____ (Address)	_____ (Employer's ID Number)