

FORM 325-IPT
(8-25)

**New Jersey Insurance Premiums Tax
Public Infrastructure Tax Credit**

TAX YEAR	For Calendar Year Ending December 31, _____	
Name as Shown on Return	Federal ID Number	NAIC Number

Read The Instructions Before Completing This Form

Part I Qualifications		
1. Does the taxpayer have approval from the New Jersey Economic Development Authority to receive a Public Infrastructure Tax Credit?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
2. Has the taxpayer received the original tax credit certificate or credit transfer certificate issued by the New Jersey Division of Taxation?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
3. The taxpayer acknowledges that the original tax credit certificate or credit transfer certificate issued by the New Jersey Division of Taxation must be submitted prior to credit application	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Note: If the answer to question 1 or 2 is "NO," do not complete the rest of this form. The taxpayer is not eligible for this tax credit. Otherwise, go to Part II.		
Part II Calculation of the Public Infrastructure Tax Credit		
4. Unused credit carryforward from previous year's Form 325-IPT	4.	
5. Amount of the approved Public Infrastructure Tax Credit as reported on the attached certificate for the tax period	5.	
6. Total Public Infrastructure Tax Credit available for this tax period – add lines 4 and 5	6.	
7. Total Realty Transfer Fees paid by the applicant for the land and real property on which the public infrastructure project is built	7.	
8. Amount of the tax credit available to offset the total Realty Transfer Fees paid by the applicant for the project	8.	
9. Amount of the tax credit available to offset the taxpayer's Insurance Premiums Tax liability	9.	
10. Enter tax liability from the applicable IPT form (DEXM, page 2, line 18; DEM, page 2, line 19; EXM, page 3, line 42; or EM, page 3, line 27)	10.	
11. Other Business Tax Credits taken on current year's return		
(a) _____		
(b) _____		
(c) _____		
(d) _____		
Total	11.	
12. Remaining tax liability after other Business Tax Credits – subtract line 11 from line 10	12.	
13. Allowable credit for the current tax period – enter the lesser of line 9 or 12 here and on Schedule BTC of Form DEXM, DEM, EXM, or EM	13.	
14. Amount of credit carryforward to following year's return – subtract line 13 from line 9	14.	

Instructions for Form 325-IPT

Purpose of This Form

This form must be completed by any taxpayer that claims a tax credit on Form DEM, DEXM, EM, or EXM as provided for in N.J.S.A. 34:1B-251 et seq. against the tax due pursuant to N.J.S.A. 54:18A-2, 54:18A-3, 17:32-15, or 17B:23-5. The credit is for the development of public infrastructure by the applicant, which is then given to a municipality provided the statutory criteria are met. The credit is used to offset a taxpayer's liability for the Realty Transfer Fees and Insurance Premiums Tax. If the credit exceeds the amount of tax liability due, the taxpayer may apply to the Executive Director of the Economic Development Authority for a tax credit transfer certificate. To qualify for this tax credit, the taxpayer must have received a tax credit certificate or credit transfer certificate issued by the New Jersey Division of Taxation. A completed Form 325-IPT must be attached to the return to validate the claim.

The credit amount may first be taken by the tax certificate holder, i.e., the original recipient, for the tax period *for which* it was issued, for the tax period *in which* it was issued, or for any tax period during the commitment period set forth in the incentive agreement with the Economic Development Authority. The tax certificate holder may transfer the tax credit amount on or after the date of issuance for use by the transferee, i.e., the credit purchaser, for the tax period *for which* it was issued, for the tax period *in which* it was issued, or in any tax period prior to the expiration of the statute of limitations of the tax period *for which* the tax credit certificate was issued. The tax certificate holder or transferee may first use the credit against tax liabilities for the tax period in which it was issued or for a succeeding tax period **without being required to amend the tax return** for the tax period for which the credit was issued. No more than the amount of tax credits equal to the total credit amount, divided by the duration of the tax credit term, in years, may be taken in any tax period. See N.J.S.A. 34:1B-247(k). An *original recipient* or *tax credit purchaser* can carry forward any unused portion of the tax credit for 20 years from the tax period *for which* the certificate was issued regardless of which tax period the credit is first claimed against.

Taxpayers that purchased the tax credit through the Economic Development Authority tax benefit transfer program may also claim the credit using this form and are bound by the rules and limitations in the applicable credit transfer statute for the credit program.

Part I – Qualifications

To be eligible for the tax credit, the answer to questions 1 and 2 must be “YES.” If either answer is “NO,” the taxpayer is not entitled to the Public Infrastructure Tax Credit.

A copy of the tax credit certificate or tax credit transfer certificate, signed by all parties, along with a cover letter and a copy of the completed 325-IPT must be submitted by mail to the New Jersey Division of Taxation, Special Audit–Insurance, PO Box 247, Trenton, NJ 08695-0247. Failure to submit this documentation by mail will result in the delay and/or denial of the tax credit claimed.

Part II – Calculation of the Public Infrastructure Tax Credit

Line 5 – The amount of the tax credit is equal to the amount reported on the tax credit certificate or tax credit transfer certificate issued by the New Jersey Division of Taxation.

Line 6 – Enter the sum of the tax credit that was carried forward on line 4 plus the tax credit for the current year on line 5. This amount is the total Public Infrastructure Tax Credit available for use in the current year.

Line 11 – Taxpayers claiming multiple Business Tax Credits must list all tax credits already applied against the tax liability to ensure accuracy of the calculation for maximum credit allowable.

Line 14 – Any amount of tax credit that exceeds the final tax liability can be carried forward for use in a later tax year.

Unused Tax Credits

Any unused credit can be carried forward for 20 years from the tax period for which the certificate was issued. Note that each tax credit has its own statutory limitations. The tax credit is not refundable.