



State of New Jersey
Division of Revenue and Enterprise Services

NJ1040 e-File
Software Developers
Handbook

*Guide for Practitioners/ERO's who file:
New Jersey Income Tax returns electronically*

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INTRODUCTION

New Jersey is again participating in the Joint Federal/State MeF Electronic Filing Program for individual income tax returns. The information contained in this handbook is designed to assist practitioners in the preparation of New Jersey Electronic Returns for TY2021.

New for TY2021

Earned Income and adjusted gross income (AGI) must each be less than:

- \$51,464 (\$57,464 married filing jointly) with three or more qualifying children
- \$47,915 (\$53,865 married filing jointly) with two qualifying children
- \$42,158 (\$48,108 married filing jointly) with one qualifying child
- \$15,980 (\$21,920 married filing jointly) with no qualifying children

Tax Year 2021 maximum credit:

- \$6,728 with three or more qualifying children
- \$5,980 with two qualifying children
- \$3,618 with one qualifying child
- \$543 with no qualifying children

UI/DI/FLI –

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

Form Changes:

- NJ1040
 - Child Care Credit was moved down to line 63 as a refundable credit.
- NJ1040NR
 - BalanceDue Added to return
 - AdditionToPaymentDue and AdditionalInterest were moved up in the schema to mimic the NJ1040
- NJBUS1
 - SharePTEIncome added to Part II and Part III
 - TotalSharePTEIncome added to Part II and Part III
- NJBUS1NR
 - SharePTEIncome added to Part III and Part IV
 - TotalSharePTEIncome added to Part III and Part IV
- IndividualStateEnumerations.xsd
 - Added a charity to the list Meals on Wheels New Jersey Fund

E-File Mandate Information

Paid tax preparers that prepare 11 or more New Jersey individual gross income tax resident returns including those filed for trusts and estates during the tax year must use electronic methods to file those returns.

** New Jersey nonresident, part-year resident, amended, and prior year returns are not included in the mandate at this time.**

SUPPORTED FORMS

The New Jersey Division of Revenue, in conjunction with the Internal Revenue Service (IRS), accepts state Individual/Estate and Trust returns and corresponding forms and schedules by method of the Modernized E-File system (MeF). The following form types and related schedules are being accepted. Please check our list of specific supporting forms and schedules supported for eFiling:

Electronic Individual/Estate and Trust Returns TY2021

Returns/Schedules	Returns/Schedules
NJ1040	NJ1041
NJ1040NR	NJ1041SB
NJ1040X	NJ1041X
NJ COJ	NJ2210
NJ DOP	NJ-NRA
NJ2210	Schedule- A
NJ2210NR	Schedule- A - SB
NJ2450	Schedule- B
NJW2	Schedule- B - SB
NJ-NRA	Schedule- C
Schedule- BUS-1	Schedule- C - SB
Schedule- BUS-1NR	Schedule- D
Schedule- BUS-2	Schedule- E
NJCBTK1	Schedule- E - SB
NJ1065K1	Schedule- G
Worksheet A	NJ1041K1
Worksheet B	NJSBK1
Worksheet C	NJ630
NJ630	NJ1041ES
NJ1040ES	Schedule- BUS-1
NJ-HCC	Schedule- BUS-2
NJ WWC	

More information can be found at the following url:
<http://www.state.nj.us/treasury/taxation/nj1040faq.shtml>

II Binary Attachments

New Jersey accepts the MeF Schemas for the NJ-1040, NJ-1040 Part –year, Non-resident, 1040ES (Estimated Payments), 1040X (Amended), 1040NR (Amended), NJ-1041/SB Fiduciary returns, and 1041ES (Estimated Payments).

Submission Size

- The instance of a federal or state submission XML file cannot exceed 3 GB compressed. The maximum size of an individual PDF file attached to the submission is 60 MB uncompressed.

Attach a PDF File

To attach a PDF file, perform the following steps:

Create the PDF file using any available tool. In creating a PDF file for the submission, it is important to adhere to the following guidance:

- Do not password protect or encrypt PDF attachment when attaching.
- Keep binary attachments as small as possible. Try exporting a document instead of scanning one, when creating a PDF file.
- Each separate PDF cannot exceed 60 megabytes uncompressed.
- Each PDF must start with %pdf- and end with %%EOF. The return will reject if the PDF is not properly formatted.

MANIFEST INFORMATION

- Estimated Payments
 - Form 1040ES is used for both resident and non-resident returns.
 - Form 1041ES is used for fiduciary returns.
 - When sending in an ES payment form, specify the quarter to apply the payment (one ES payment form per financial transaction).
 - The following must be present in the manifest of all submissions:

```
NJ-1040
<StateSubmissionType>NJ1040</StateSubmissionType>
<SubmissionCategory>IND</SubmissionCategory>
```

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NJ-1041
<StateSubmissionType>NJ1041</StateSubmissionType>
<SubmissionCategory>ESTRST</SubmissionCategory>
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NJ-1041SB
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<StateSubmissionType>NJ1041SB</StateSubmissionType>
<SubmissionCategory>ESTRST</SubmissionCategory>

NJ-630 1041

<StateSubmissionType>NJ630</StateSubmissionType>
<SubmissionCategory>ESTRST</SubmissionCategory>

- Amended Returns
 - Form 1040X is used to amend form NJ1040.
 - Form 1040X submissions must have the following in the manifest:
<StateSubmissionType>INDAMD</StateSubmissionType>
<SubmissionCategory>IND</SubmissionCategory>
 - Form NJ-1040NR for non-residents uses a check box to indicate that the return is being submitted as an amended return.
 - Submissions must check the amended box to mark return as amended.
- Extension Requests
 - Form NJ-630 submissions must have the following in the manifest
<StateSubmissionType>NJ630</StateSubmissionType>
<SubmissionCategory>IND</SubmissionCategory>

New Jersey ***will not accept*** certain filings electronically:

- Full-year residents filing a joint return with a part-year resident.
- A full or part-year resident filing jointly with a non-resident.
- NJ-1040 submissions will not be accepted with a country that is outside of the USA.
- New Jersey cannot accept more schedules than the amount accepted by the IRS.

Acknowledgment records are transmitted to the IRS to be retrieved by software developers and/or transmitters and forwarded to practitioners.

IV ACCEPTANCE INTO E-FILE PROGRAM

Federal registration into the e-file program is required. Therefore, the first step for new participants would be to contact the IRS. All required identification numbers are issued by the IRS. New Jersey does not issue EFIN's and ETIN's. The IRS imposes a deadline for filing applications. New Jersey imposes no such deadline. One should not attempt to file returns electronically until an identification number from the IRS has been received and made available to New Jersey.

For information about how to make your federal registration information available to New Jersey, please see item V in this publication.

V REGISTRATION

Transmitters who have not previously registered with New Jersey must submit a properly completed LOI (Letter of Intent) form for TY21. It is important that all ETIN numbers be registered. A completed LOI will be required at the beginning of every tax season. Transmitters are required to pass testing each year.

Practitioners need to have the IRS assign them an EFIN. Practitioners do not need to register with New Jersey. We will check the EFIN with the IRS database.

IMPORTANT: Software developer ID's, ETIN's, EFIN's, etc. are verified by New Jersey. Electronic submissions using ID numbers that are not registered with the IRS and verified by New Jersey will be rejected.

Note: There is no requirement to be bonded to participate in New Jersey's Program.

VII "STATE-ONLY" PROGRAM

New Jersey is a participant in the IRS MeF Program. In this program, New Jersey accepts NJ State returns "linked" or "unlinked" with the corresponding Federal return. This includes non-resident returns and part-year resident returns. In addition, New Jersey accepts the re-transmission of a previously rejected NJ State return. Please contact your software developer to verify whether you can resubmit rejected returns.

VIII MONITORING AND SUSPENSION OF PRIVILEGES

New Jersey monitors all parties involved in the electronic filing process. All entities involved in this process are subject to the rules and regulations set forth in this document, as well as the laws, statutes, rules, and regulations that relate to New Jersey Income Tax. Failure to comply with program mandates will result in warnings and/or suspension from the program. Electronically filed returns from suspended entities will not be accepted.

IX PROVIDING DOCUMENTS TO TAXPAYERS

ERO's must furnish taxpayers with documentation of all New Jersey forms filed on their behalf. These should include, but not be limited to the properly completed forms NJ-1040, NJ-1040NR and NJ-1041. Also, ERO's should advise taxpayers to retain copies of their W-2's, 1099's, and any other tax documents that were used to prepare their returns.

X CONTACTING THE DIVISION

Any questions dealing with the New Jersey schemas should be directed to our MeF Admin Group at e-GovServices@treas.nj.gov. This email is for developer use only and is not to be given out to general taxpayers or practitioners.

Practitioners

Practitioners have a special phone number that they can utilize when calling the Division of Taxation on tax related matters. Any other questions or concerns should be directed to the Division of Revenue hotline at 609-292-9292.

XI STATE ACKNOWLEDGMENTS

Electronic submissions of state tax forms can be sent as being either linked or unlinked to the federal submission. To link the state return to the federal return, the submission must include the Submission ID of the federal return in the state submission. The state submissions can also be sent unlinked as a standalone state submission.

On linked returns, the federal return must be accepted before the linked state return can be filed.

Submissions of returns that include only state information and are unlinked from the federal return must meet the following criteria:

- The return submission was previously rejected by the state.
- The submission originated separately from the federal return.
- The submission is a part-year residency return.
- The submission is a non-resident state return.
- The submission is submitted with the state filing status of “married filing separately” while the federal return was filed with the filing status of a “joint” return.

The Internal Revenue Service will provide State Acknowledgement service on its Front End Processing System (MeF platform). The State of New Jersey will send their Acknowledgements to MeF for trading partners to pick up, when they pick up their Federal Acknowledgement. New Jersey will store Submission ID provided by the IRS for use by our help desk.

New Jersey acknowledges all electronic returns received. Clients receive acknowledgments from both the IRS and the State of New Jersey. It should be noted that a Federal acknowledgment does not extend to the corresponding State return. A Federal acknowledgment means only that the State portion has been made available to that State.

An acceptance from New Jersey does not imply that the return, in its entirety, is correct. It acknowledges only that the return conforms to the required standards for electronic filing. Acknowledgments will be transmitted to the IRS System for retrieval.

If not using direct debit, payments with the voucher 1040-V/ 1040NR-V should be forwarded, along with the accompanying payment vouchers, to the following address:

- **Resident**

State of New Jersey Division of Taxation
Revenue Processing Center
P.O. BOX 111
Trenton, New Jersey 08646-0111

<http://www.state.nj.us/treasury/taxation/pdf/current/1040v.pdf>

- **Nonresident**

State of New Jersey Division of Taxation
Revenue Processing Center
P.O. BOX 244
Trenton, New Jersey 08646-0244

<http://www.state.nj.us/treasury/taxation/pdf/current/1040nrv.pdf>

Note: If you receive an acknowledgement from the State of New Jersey Division of Revenue and Enterprise Services that leads you to believe someone may have used your social security number fraudulently, please notify DORES immediately by calling the e-file hotline at: 609-292-8720.

XIII Payments

There are two methods of payment for forms NJ1040/1041. A payment may be made as part of the electronically filed return via a Financial Transaction, or on the New Jersey Division of Taxations Website at the following link:

https://www1.state.nj.us/TYTR_RevTaxPortal/jsp/IndTaxLoginJsp.jsp

XIV Signature Documents

NJ Division of Taxation no longer requires any signature document for any e-filed New Jersey return. Practitioners may choose to maintain a signed copy of an NJ-8879 or similar document in their records.

The form NJ-8879 is not to be mailed to the State of New Jersey.

XIV TY21 E-FILE CALENDAR

The following dates relate to the coming E-file tax season:

Return period:	1/1/21 - 12/31/21
Deadline to register:	None, (but must register prior to transmitting)
Start date for PATS :	When IRS Opens Testing
Begin live transmissions:	When IRS Opens Production
Last date for timely filing:	April 18 th 2022
Last date for late transmissions:	Same as IRS