

FORM 317
(12-19)
2019

NEW JERSEY CORPORATION BUSINESS TAX
SHELTERED WORKSHOP TAX CREDIT

Name as Shown on Return	Federal ID Number	Unitary ID Number, if applicable NU
-------------------------	-------------------	---

READ THE INSTRUCTIONS BEFORE COMPLETING THIS FORM

RETURN FILING METHOD

The taxpayer is included as a taxable member on a New Jersey combined return.

The taxpayer is a separate return filer. Complete Parts I-III, as applicable. Do not complete Part IV.

PART I QUALIFICATIONS

1. Is each employee for which a credit is claimed a "Qualified Person" in accordance with P.L. 2005, c. 318? YES NO

2. Did each employee for which a credit is claimed work for at least 26 weeks during the tax year and work at least 25 hours per week at or under the supervision of a sheltered workshop? YES NO

NOTE: If the answer to either question 1 or 2 is "NO," do not complete the rest of this form. The taxpayer does **not** qualify for this tax credit. Otherwise, go to Part II.

PART II CALCULATION OF THE AVAILABLE SHELTERED WORKSHOP TAX CREDIT

	(A) Social Security Number	(B) Name	(C) Total Wages	(D) 20% of Column C – Max \$1,000
3.				
4.				
5.				
6.				
7.	Total of column D			
8.	Sheltered Workshop Tax Credit carried over from prior year's Form 317, Part IV, line 4			
9.	Total credit available (add lines 7 and 8)			

PART III CALCULATION OF THE ALLOWABLE CREDIT AMOUNT AND CARRYOVER

10. Enter tax liability from page 1, line 2 of CBT-100, CBT-100S, or BFC-1, or the member's column of Schedule A, Part III, line 5 of CBT-100U	10.	
11. Enter the required minimum tax liability as indicated in instruction (b) for Part III	11.	
12. Subtract line 11 from line 10	12.	
13. Enter 50% of the tax liability reported on line 10	13.	
14. Enter the lesser of line 12 or line 13	14.	
15. Tax credits used by taxpayer on current year's return		
(a) _____		
(b) _____		
(c) _____		
(d) _____ Total	15.	
16. Subtract line 15 from line 14. If zero or less, enter zero	16.	
17. Allowable credit for the current tax period. Enter the lesser of line 9 or 16 here and on Part I, Schedule A-3 of the CBT-100, CBT-100U, CBT-100S, or BFC-1	17.	
18. a) Sheltered Workshop Tax Credit carryover (subtract line 17 from line 9)	18a.	
Combined return filers, see Part IV before continuing.		
b) Amount of credit shared in current year from Part IV, line 27, if applicable	18b.	
c) Amount of credit carryover to following year's return (subtract line 18b from line 18a)	18c.	

Name as Shown on Return	Federal ID Number	Unitary ID Number, if applicable NU
-------------------------	-------------------	---

PART IV COMBINED RETURN FILERS SHARING CREDIT

19. Amount of Sheltered Workshop Tax Credit being shared and FEIN of the taxable member of the combined group with which it is being shared (see instructions):.....								
<table border="0" style="width: 100%;"> <tr> <td style="width: 50%; text-align: center;">_____</td> <td style="width: 50%; text-align: center;">_____</td> <td></td> </tr> <tr> <td style="text-align: center;">Name</td> <td style="text-align: center;">Federal ID Number</td> <td></td> </tr> </table>	_____	_____		Name	Federal ID Number		19.	
_____	_____							
Name	Federal ID Number							
20. Enter the tax liability of the member with which the credit is being shared from Schedule A, Part III, line 5 of CBT-100U	20.							
21. Minimum tax liability	21.	2,000						
22. Subtract line 21 from line 20.....	22.							
23. Enter 50% of the tax liability reported on line 20	23.							
24. Enter the lesser of line 22 or line 23	24.							
25. Tax credits used by this taxpayer on current year's return:								
(a) _____								
(b) _____								
(c) _____								
(d) _____								
..... Total	25.							
26. Subtract line 25 from line 24. If zero or less, enter zero	26.							
27. Allowable credit shared with this taxable member. Enter the lesser of line 19 or line 26 here and on Part III, line 18b, and CBT-100U, Schedule A-3, Part I for the member receiving the shared amount.....	27.							

REFERENCED ONLY

Instructions for Form 317 SHELTERED WORKSHOP TAX CREDIT

PURPOSE OF THIS FORM – This form must be completed by any taxpayer claiming a Sheltered Workshop Tax Credit and/or credit carryforward as provided for in P.L. 2005, c.318. In general, a tax credit is allowed in an amount equal to 20% of the salary and wages paid by the taxpayer during the tax year for the employment of a qualified person but cannot exceed \$1,000 for each qualified person for the tax year. If the taxpayer claims this credit on Form CBT-100, CBT-100U, CBT-100S, or BFC-1, a completed Form 317 must be included with the return to validate the claim.

NOTE: Only complete the applicable lines from Parts II–IV where the full amount of the Sheltered Workshop Tax Credit claimed on the current return is the result of a Sheltered Workshop Tax Credit carried forward from a previous tax year.

DEFINITIONS:

Qualified Person means an extended employee, within the meaning of that term as set forth in section 2 of P.L.1971, c.272 (C.34:16-40), to whom the Commissioner of the Department of Labor and Workforce Development, under subsection (b) of section 18 of P.L.1966, c.113(C.34:11-56a17) shall have issued a special license authorizing employment at wages less than the minimum wage rate, and who, for at least 26 weeks during the tax year, shall have performed at least 25 hours per week of work at or under the supervision of a sheltered workshop pursuant to a contract between the taxpayer and the sheltered workshop.

Sheltered Workshop means an occupation-oriented facility operated by a nonprofit agency with which the Division of Vocational Rehabilitation Services in the Department of Labor and Workforce Development shall have entered into a contract under section 4 of P.L.1971, c.272 (C.34:16-42) to furnish extended employment programs to eligible individuals.

COMBINED RETURN FILERS - If filing a combined return, the form must be completed by the member that earned the credit.

PART I – QUALIFICATIONS

The answer to both questions must be “YES.” If the answer to either question is “NO,” the taxpayer is not entitled to the Sheltered Workshop Tax Credit.

PART II – CALCULATION OF THE AVAILABLE SHELTERED WORKSHOP TAX CREDIT

Enter the information in columns A through D for each qualified person for which a tax credit is claimed. Enter in column D the lesser of 20% of the amount in column C or \$1,000. Include a schedule if additional entries must be made.

PART III – CALCULATION OF THE ALLOWABLE CREDIT AMOUNT AND CARRYOVER

- a) The allowable Sheltered Workshop Tax Credit for the current tax period is calculated in Part III. The amount of this credit in addition to the amount of any other tax credits taken is limited to 50% of the taxpayer’s total tax liability and cannot exceed an amount that would reduce the total tax liability below the statutory minimum. Taxpayers claiming multiple credits must list any credits already applied to the tax liability to ensure accuracy of the calculation for maximum credit allowable.
- b) The minimum tax is assessed based on the New Jersey Gross Receipts as follows:

New Jersey Gross Receipts	CBT-100/BFC-1	CBT-100U	CBT-100S
Less than \$100,000	\$500	\$2,000	\$375
\$100,000 or more but less than \$250,000	\$750	\$2,000	\$562
\$250,000 or more but less than \$500,000	\$1,000	\$2,000	\$750
\$500,000 or more but less than \$1,000,000	\$1,500	\$2,000	\$1,125
\$1,000,000 or more	\$2,000	\$2,000	\$1,500

If a taxpayer is filing a separate return and is a member of an affiliated or controlled group that has a total payroll of \$5,000,000 or more for the return period, the minimum tax is \$2,000. Tax periods of less than 12 months are subject to the higher minimum tax if the prorated total payroll exceeds \$416,667 per month.

- c) The amount of the tax credit that cannot be applied to the current tax period due to the applicable limitations can be carried over to the seven tax years following the tax year for which the credit was allowed.

PART IV – COMBINED RETURN FILERS SHARING CREDIT

Taxable members of a combined group may share their tax credits and credit carryovers with other taxable members of the combined group that are included on the same New Jersey combined return. The decision to share (or not share) tax credits or carryovers remains with the taxable member who generated the tax credit or carryover. Tax credits and credit carryovers may be shared among members of the same combined group regardless of whether such taxable members were part of the same combined group when the tax credit or carryover was generated.

If the taxpayer shared the credit with another taxable member of the combined group, use this portion of the form to track the member with which the credit is being shared, calculate the allowable amount that can be shared, and calculate the amount of the credit that can be carried over for use in future tax years. A shared credit carryover belongs to the member that originally earned the credit. Generally the amount of unused tax credit may be carried forward to subsequent tax years as described in the instructions for Part III.

Note: If the member that owns the credit is sharing a portion of their credit with multiple members, include a copy of this section for each member with which the credit is shared.