

NEW JERSEY GROSS INCOME TAX
Instruction Booklet
for
Employers, Payors of Pension and Annuity Income and
Payors of Gambling Winnings.

What's New:

- **Mandatory Paperless Filing - All Employers, Payors of Pension and Annuity Income and Payors of Gambling Winnings are required to file electronically beginning with the quarter ending March 31, 2009.**
- **Beginning in 2009, paper return forms will no longer be mailed to Employers (Employer's Form NJ-927/NJ-500, or NJ-927-W and Domestic Employer's Annual Report NJ-927-H).**
- **Beginning in 2009, the appearance of the employer's online filing service will change.**
- **Family Leave Insurance withholdings requirement begins January 1, 2009.**
- **Commuter Transportation Benefits excludable from wages paid have been increased to \$1,440.00 for 2008.**
- **Gross Income Tax Annual Reconciliation of Tax Withheld (Return Form NJ-W-3) will be mailed out in the fourth quarter, NJ-927, NJ-927-W packet mailings.**

This Booklet Contains:

- **Form NJ-W4 (Employee's Withholding Allowance Certificate).**
- **Form NJ-W-4P (Certificate of Voluntary Withholding of New Jersey Gross Income Tax From Pension and Annuity Payments).**
- **2008 Schedule NJ-W-3-UNC Annual Reconciliation of Gross Income Tax Withheld From Unregistered Unincorporated Contractors, with instructions.**
- **Rules for Paying and Reporting Tax Withheld.**
- **Information on Withholding Requirement for Contractor Services Effective January 1, 2007.**
- **Information Relative to Reporting, Withholding and Remitting Unemployment Insurance, Supplemental Workforce Fund, Workforce Development Partnership Fund, Family Leave Insurance (FLI) and Disability Insurance Contributions, Including Information on the Employer's Quarterly Report (Forms NJ-927 and NJ-927-W), Domestic Employer's Annual Report (Form NJ-927-H), and Form W-2 Samples for Tax Year 2008.**
- **Penalty and Interest Rules.**
- **Taxpayers' Bill of Rights Information.**

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Note: The supplemental wage bracket withholding tables will only be mailed to employers upon request. If you wish to receive a copy of the Supplemental NJ-WT tables, call the Division of Taxation's Forms Request System at 1-800-323-4400 (Touch-tone phones within NJ, NY, PA, DE, and MD) or 609-826-4400 (Touch-tone phones anywhere), contact the Division of Taxation Customer Service Center at 609-984-1721 or download it online at www.state.nj.us/treasury/taxation/forms.

DUE DATES FOR PAYING AND REPORTING GROSS INCOME TAX WITHHELD

REPORTING PERIODS												
PAYMENT/FILING PERIOD	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
WEEKLY PAYER - Your prior year withholding tax liability was \$10,000 or greater. Remit on or before Wednesday following the week (Sun. - Sat.) containing payday(s), using EFT tax type code "01170" for all payments.	EFT Payment Code '01170'	EFT Payment Code '01170'	NJ-927-W DUE 4-30	EFT Payment Code '01170'	EFT Payment Code '01170'	NJ-927-W DUE 7-30	EFT Payment Code '01170'	EFT Payment Code '01170'	NJ-927-W DUE 10-30	EFT Payment Code '01170'	EFT Payment Code '01170'	NJ-927-W DUE 1-30
MONTHLY REMITTANCE - Your withholding tax liability in one or both of the first two (2) calendar months in a calendar quarter is \$500 or more. An NJ-500 remittance is required for that month. EFT taxpayers use tax type code "01120."	NJ-500 DUE 2-15	NJ-500 DUE 3-15	NJ-927 DUE 4-30	NJ-500 DUE 5-15	NJ-500 DUE 6-15	NJ-927 DUE 7-30	NJ-500 DUE 8-15	NJ-500 DUE 9-15	NJ-927 DUE 10-30	NJ-500 DUE 11-15	NJ-500 DUE 12-15	NJ-927 DUE 1-30
QUARTERLY REMITTANCE - Your withholding tax liability is less than \$500 in each of the first two months within a calendar quarter. EFT taxpayers use tax type code "01130."			NJ-927 DUE 4-30			NJ-927 DUE 7-30			NJ-927 DUE 10-30			NJ-927 DUE 1-30
QUARTERLY REPORT - REQUIRED of all taxpayers regardless of amount of tax liability.			NJ-927/ NJ-927-W DUE 4-30			NJ-927/ NJ-927-W DUE 7-30			NJ-927/ NJ-927-W DUE 10-30			NJ-927/ NJ-927-W DUE 1-30
ANNUAL PAYERS - DOMESTIC EMPLOYERS - certain employers of household workers may report and remit gross income tax on an annual basis.												NJ-927-H DUE 1-31
ANNUAL RECONCILIATION - REQUIRED of all taxpayers regardless of amount of tax liability.		NJ-W-3 DUE 2-28/29										

When a due date falls on a Saturday, Sunday, or legal holiday, the return is due on the next business day.

**INSTRUCTIONS FOR WITHHOLDING, PAYING, AND REPORTING
THE NEW JERSEY GROSS INCOME TAX**

1. GENERAL INFORMATION

This booklet provides information and instructions for New Jersey employers, payors of gambling winnings, and payors of pension and annuity income so they may meet the withholding, reporting, and remitting requirements of the New Jersey Gross Income Tax Act. Included in this booklet are the withholding rates and tables as prescribed by the Division of Taxation.

Also included in this booklet are the **Employee's Withholding Allowance Certificate (Form NJ-W4)**, the **Certificate of Voluntary Withholding of New Jersey Gross Income Tax From Pension and Annuity Payments (Form NJ-W-4P)**, and the **Annual Reconciliation of Gross Income Tax Withheld From Unregistered Unincorporated Contractors (Schedule NJ-W-3-UNC)**.

Beginning with the first quarter reporting period, March, 2009, New Jersey will be requiring all employers to file electronically. The Division of Revenue's website has provided a guide which lists the electronic filing, registration and payment opportunities that are available. The information is available at: <http://www.state.nj.us/treasury/revenue/electronfileopt.htm>

If you are not already registered with the State of New Jersey as an employer or other withholder, you must complete Form NJ-REG (Business Registration Application). For more information about your Gross Income Tax withholding requirements or to request Form NJ-REG, call the Division of Taxation's Automated Tax Information System at 1-800-323-4400 (Touch-tone phones within NJ, NY, PA, DE, and MD) or 609-826-4400 (Touch-tone phones anywhere), or visit the website at www.state.nj.us/treasury/revenue/ to file online.

2. EMPLOYER DEFINED

An employer is a person or organization for whom an individual performs a service as an employee. It includes every employer maintaining an office or transacting business within this State (whether or not a paying agency is maintained within the State) and making a payment of any wages subject to New Jersey Gross Income Tax to a resident or nonresident individual; it also includes any person or organization paying wages to a former employee after termination of employment.

For New Jersey Gross Income Tax purposes, the term "employer" includes organizations that may be exempt from Federal Income Tax or New Jersey Corporation Business Tax, such as I.R.C. section 501(c)(3) organizations that are exclusively religious, charitable or educational in purpose and government organizations.

3. EMPLOYEE DEFINED (N.J.A.C. 18:35-7.1)

(a) The term "employee" means every individual performing services if the relationship between the employee and the person for whom the services are performed is the legal relationship of employer and employee. The term also includes officers and employees, whether elected or appointed, of the United States, a state, territory, Puerto Rico, or any political subdivision thereof, or the District of Columbia, or any agency or instrumentality of any one or more of the foregoing.

(b) When determining whether an individual is in an employer-employee relationship, relevant factors shall be considered, including the following:

1. The relationship which the parties believe they have created;
2. The extent of control exercisable by the person receiving the benefit of the services over the manner and method of performance. It is not necessary that the employer actually direct or control the manner of performance, but it is sufficient if he has the right to do so;
3. Whether the person rendering the service undertook substantial costs to perform the service;
4. Whether the service required special training or skill, and whether the person receiving the benefit of the services provided such special training;
5. The duration of the relationship between the parties;
6. Whether the person rendering the service had a risk of loss;
7. Whether the person who received the benefit of the services could discharge without cause the person who performed the services;

8. The method of payment, such as by time or by job;
9. Whether the person rendering services regularly performs the same services for other persons and is not protected to any degree from competition;
10. Whether the person for whom services are performed furnishes tools, equipment, support staff, and a place to work to the individual rendering the services;
11. Whether the individual rendering the services is eligible for employer provided benefits such as pension, bonuses, paid vacation days, and sick pay;
12. Whether the person receiving the benefits of the services rendered carries worker's compensation insurance on the individual performing the services; and
13. Whether any other governmental agency has determined that the individual performing services is an employee, and the basis for such determination.

(c) No single factor in (b) above shall necessarily be conclusive in determining whether an individual is an employee or self-employed. The final determination as to whether an individual is either an employee or self-employed shall be based upon the review of the circumstances of the entire relationship and the evaluation of any special facts in a particular case.

(d) If the relationship of employer and employee exists, the designation or description of the relationship by the parties as anything other than that of employer and employee shall be immaterial, including designation as a partner, co-adventurer, agent, independent contractor, or similar designations or descriptions.

(e) All classes or grades of employees shall be included within the relationship of employer and employee, including superintendents, managers, and other supervisory personnel:

- An officer of a corporation shall be considered an employee of the corporation, except that an officer of a corporation who as such does not perform any services, or performs only minor services, and who neither receives nor is entitled to receive, directly or indirectly, any remuneration shall not be considered an employee of the corporation.
- A director of a corporation in his capacity as such shall not be considered an employee of the corporation.

4. NEW JERSEY TAXPAYER IDENTIFICATION NUMBER

Where possible, the New Jersey Taxpayer Identification Number will be the same as the Federal Employer Identification Number (FEIN).

In those instances where employers have not yet been assigned a Federal Employer Identification Number, a temporary number will be assigned by the Division of Revenue for New Jersey purposes. The Division of Revenue should be notified when the Federal Employer Identification Number is received using Form REG-C which is available to be filed online at www.state.nj.us/treasury/revenue/.

Employers with multiple divisions or locations having the same Federal Employer Identification Number must file combined withholding returns for all locations under one number.

5. COMPENSATION SUBJECT TO WITHHOLDINGS

Compensation includes salaries, wages, tips, fees, commissions, bonuses, and other remuneration received for services rendered; generally an item regarded as "wages" for Federal Income Tax withholding purposes is subject to withholding for purposes of the New Jersey Gross Income Tax. Compensation shall not include Social Security or Railroad Retirement Benefits; proceeds of life insurance contracts payable by reason of death; employees' death benefits; amounts received under worker's compensation acts for personal injuries or sickness; amounts of damages received, whether by suit or agreement on account of personal injuries or sickness; any amount received as a scholarship at an educational institution; any amount received as a fellowship grant; any amount received to cover expenses for travel, research, or equipment which are incidental to a scholarship or research grant, but only to the extent that the amount is so expendable by the recipient.

A. Compensation Paid Under an Accident or Health Insurance Plan (N.J.A.C. 18:35-2.3) - The withholding of gross income tax is required even though such payments meet all the conditions for exclusion from taxable gross income as made through an Accident or Health Insurance Plan for personal injuries or sickness. The only exceptions for the withholding of tax shall be for the following:

1. Temporary disability benefit payments required to be made under the State Plan which is administered by the Bureau of State Plan Disability Law;
2. Temporary disability benefit payments required to be made to employees under a company's private plan established pursuant to New Jersey Law in lieu of the State's plan described in 1 above and which has been approved by the Bureau of Private Plan Disability Benefits, Division of Unemployment Insurance and Disability Insurance; and
3. Payments made to employees for personal injuries or sickness under a health or accident insurance policy by a commercial insurance company.

When qualifying (i.e., excludable) sick and disability benefits are combined with taxable compensation on a Form W-2, such payments must be deducted before the taxpayer enters the figure on the New Jersey income tax return. Taxpayers must file Form NJ-2440 when excluding qualifying benefits from gross wages in this situation. **If qualifying sick and disability benefits are reflected on a separate W-2, it is not necessary for the taxpayer to file the NJ-2440.**

B. IRC Section 401(k) Plans - Amounts contributed by an employer on behalf of and at the election of an employee to a trust which is part of a qualified cash or deferred arrangement which meets the requirements of IRC section 401(k) are not taxable to the employee in the year when made nor are they subject to withholding. See N.J.S.A. 54A:6-21. Such contributions will be taxable to the employee when distributed or withdrawn from the trust.

The exclusion authorized by N.J.S.A. 54A:6-21 applies to contributions made by the employer at the employee's election not to receive such amounts in cash, and to employer matching amounts. Contributions which exceed the Federal limits and are taxable for Federal Income Tax purposes are likewise taxable for New Jersey gross income tax purposes and are subject to withholding.

C. Other Retirement Plans - Employee contributions to plans other than those authorized by and organized under IRC section 401(k) are includable in gross income and subject to withholding of New Jersey income tax in the year they are made.

D. Gambling Winnings - Every payor of New Jersey gambling winnings which are subject to withholding must withhold New Jersey Gross Income Tax in an amount equal to three percent (3%) of the payments made to both New Jersey residents and nonresidents. Withholding is only required where the payor of such winnings is required to withhold Federal income tax.

The withholding requirement does not apply to the payment of winnings from the New Jersey Lottery, slot machine play, or a keno or bingo game. See N.J.A.C. 18:35-7.5.

Payments to any person of winnings subject to withholding shall be treated as if they were wages paid by an employer to an employee. See instruction 20.

E. Commuter Transportation Benefits - Amounts paid to employees (in addition to their regular compensation) for using alternative means of commuting (such as public transportation, carpools, vanpools, etc.) up to \$1,440.00 are to be excluded from the employee's New Jersey taxable wages on the W-2. Proof of payment for alternative transportation (receipts, ticket stubs, etc.) must be provided by the employee to qualify for the exclusion. Any amount so excluded must be reported in Box 14 "OTHER" on the W-2.

For calendar year 2008 any amount paid in excess of \$1,440.00 is not excludable and is to be reported as New Jersey taxable wages on the W-2. See N.J.S.A. 54A:7-2. For further information regarding the Commuter Transportation Benefits exclusion, contact the Customer Service Center at 609-984-1721.

F. Cafeteria Plans - Generally, any amounts which an employee may take out of a cafeteria plan in cash are to be treated as wages and included in New Jersey gross income, **even if the employee elects**

to receive benefits rather than cash. If, however, the terms of the plan require that a portion of the employee's benefit dollars must be used to purchase certain prescribed benefits (commonly a minimum level of medical, life insurance, and/or long-term disability coverage) such amounts can be excluded from gross income. All other amounts which can be taken out of the plan as cash remain taxable to the employee as gross income and are subject to withholding, whether or not the employee elects to take the cash out of the plan.

The only exception to the above rule applies to nonsalary reduction cafeteria plans which allow an employee to receive cash in lieu of qualified employer-provided benefits, but only if the employee derives a substantially similar benefit from a source other than the employer. Under such plans, the value of the cash option will no longer be included in the gross income of those employees who do not make the election to receive cash, but only if the value of the cash option is excludable for Federal income tax purposes. "A substantially similar benefit from a source other than the employer" includes benefits which an employee receives through his or her spouse's/civil union partner's coverage, even if both spouses/civil union partners work for the same employer.

G. Medical Savings Accounts - An employer contribution to an IRC section 220 medical savings account (Archer MSA) is excludable from the employee's income, and withholding is not required, if the contribution is excludable for Federal income tax purposes.

6. RESIDENT EMPLOYEES

All compensation paid to a resident of New Jersey is subject to withholding, even though some or all of the services may have been rendered outside New Jersey. However, in the event a New Jersey resident is employed totally outside New Jersey and subject to the withholding tax of the state within which he is employed, the employer is not obligated to withhold New Jersey Gross Income Tax, provided that the withholdings required by the other state equal or exceed the withholdings required for New Jersey purposes. Where the required New Jersey income tax withholdings are greater, the employer must withhold and remit the difference between the amount required for New Jersey purposes and the amount withheld for income tax purposes in such other state.

A. Special Provisions for New Jersey Residents Employed in Pennsylvania - As a result of the reciprocal income tax agreement between New Jersey and Pennsylvania, compensation derived in Pennsylvania by a New Jersey resident is not subject to the Pennsylvania Personal Income Tax. The employer must have a Pennsylvania Employee's Statement of Nonresidence in Pennsylvania and Authorization to Withhold Other State's Income Tax (Pennsylvania Form REV-420) filed by the employee, in order to discontinue withholding Pennsylvania Personal Income Taxes. This form may be obtained from any of the Pennsylvania Department of Revenue district offices located throughout Pennsylvania, or on line at www.revenue.state.pa.us.

New Jersey residents are liable to New Jersey for tax on all income including income derived from Pennsylvania sources. You should, therefore, withhold New Jersey Gross Income Tax from New Jersey residents and remit the tax directly to New Jersey.

The reciprocal agreement does not include any wage tax imposed by a political subdivision of the Commonwealth of Pennsylvania. Consequently, this tax should be taken into account in determining the amount of New Jersey income taxes to be withheld. For example, where the Philadelphia Wage Tax is greater than the New Jersey income tax otherwise required to be withheld, there would be no withholdings for New Jersey income tax purposes if:

- (1) The Philadelphia Wage Tax is withheld from the employee's wages, and
- (2) The person is solely employed within the city of Philadelphia.

Where the New Jersey resident works both within and outside the city of Philadelphia, New Jersey withholdings are always required on that compensation paid for services performed outside Philadelphia, as well as on the compensation for services performed inside Philadelphia, to the extent that the New Jersey withholdings on that compensation exceed the Philadelphia withholdings.

7. NONRESIDENT EMPLOYEES

Gross income tax must be deducted and withheld from compensation paid to nonresident employees for services performed in New Jersey. Accordingly, if a nonresident employee performs all services in New Jersey, the tax must be deducted and withheld from all compensation paid to the employee.

If a nonresident employee performs services partly within and partly outside New Jersey, only the compensation paid for services performed within New Jersey is subject to withholding. For example:

- (1) The amount of compensation attributable to services within New Jersey is that proportion of the total compensation which the total number of working days employed within New Jersey bears to the total number of working days employed both within and outside New Jersey, exclusive of nonworking days. Nonworking days are normally considered to be Saturdays, Sundays, holidays, and days of absence because of illness or personal injury, vacation, or leave with or without pay.
- (2) With respect to earnings of a traveling salesperson or other employee whose compensation depends directly on the volume of business transacted by such employee, the amount attributable to services performed within New Jersey is that proportion of the compensation received which the volume of business transacted within New Jersey bears to the total volume of business transacted both within and outside New Jersey.

The portion of compensation allocable to New Jersey may be determined by the employer on the basis of the preceding year's experience, or on the basis of an estimate for the current year made by the employee or his employer. In either case, the employer shall make any necessary adjustment during the year to assure that the proper amount is withheld for the current year. Where it is expected that a nonresident employee will work only a short period of time within this State, and it is reasonably expected that his total wages for personal services rendered in this State will not exceed the employee's personal exemptions, the employer need not withhold or deduct any amount from the employee's wages until the aggregate amount paid equals or exceeds the exemptions.

An employer is required to withhold from all compensation paid to a nonresident who works partly within and partly outside New Jersey unless the employer maintains adequate, current records to determine accurately the amount of compensation from New Jersey sources.

A. Pennsylvania Residents - As a result of the reciprocal income tax agreement which was entered into between New Jersey and Pennsylvania, New Jersey income tax withholdings will not be required with respect to wages, salaries, and other compensation paid to Pennsylvania residents who file an Employee's Certificate of Non-Residence in New Jersey (Form NJ-165) with their employer.

If such certificate is not filed, the employer must withhold tax under the New Jersey Gross Income Tax Act in the same manner as from any other employee.

The Pennsylvania resident will be liable for income taxes to his home state. Therefore, if a Pennsylvania resident files a Certificate of Non-Residence, the employer should withhold taxes for Pennsylvania income tax purposes and remit such taxes directly to the Pennsylvania Department of Revenue on behalf of such employee.

B. New York Residents - New York State residents are subject to tax on income derived from sources within this State. Therefore, any compensation payments made are subject to Gross Income Tax withholdings based upon the tables, methods, filing, and payment requirements prescribed in this booklet.

8. SUPPLEMENTAL WAGE PAYMENTS

Where supplemental wages (bonuses, commissions, overtime pay, sales awards, tips, etc.) are paid at the same time as regular wages, the income tax to be withheld should be determined as if the total of the supplemental and regular wages were a single wage payment for the regular payroll period. If supplemental wages are paid at a different time, the employer may determine the tax to be withheld by adding the supplemental wages either to the regular wages for the current payroll period or to the regular wages for the last preceding payroll period within the same calendar year. However, if income tax has been withheld from

the employee's regular wages, the employer may withhold from the supplemental wages, without any allowance for exemptions.

If vacation pay is paid in addition to regular wages for the vacation period, such vacation pay is to be treated as a supplemental wage payment.

9. WITHHOLDING EXEMPTIONS

In determining the tax to be deducted and withheld from an employee's wages, the employer shall allow the number of exemptions claimed by the employee on the Employee's Withholding Allowance Certificate (Form NJ-W4) or Federal Form W-4 if an NJ-W4 is not filed.

If an employee has given you a completed Federal Form W-4 certifying that the employee had no Federal income tax liability for the prior year and is expecting none in the current year, the employee's wages will be exempt from New Jersey Gross Income Tax withholding.

10. COMPUTING THE AMOUNT OF INCOME TAX TO WITHHOLD

The New Jersey income tax to be withheld by the employer must be determined in accordance with the approved withholding tables or methods issued by the Division of Taxation, with due regard to the withholding exemptions and filing status of the employee as indicated on the Employee's Withholding Allowance Certificate (Form NJ-W4) or Federal Form W-4. (In cases of special situations, an employer may apply to the Director, Division of Taxation for permission to use another method.) An agreement in writing may be made between the employer and employee to have additional amounts of New Jersey tax withheld.

To avoid double withholding, the amount of New Jersey Gross Income Tax which would otherwise be required to be withheld from wages paid to a New Jersey resident should be reduced by the amount of income tax required to be withheld from such wages pursuant to the laws of other states, their political subdivisions, or the District of Columbia. (See instruction 6.)

As an employer, you are required to furnish Form NJ-W4 to your employees and withhold New Jersey income tax at the rate selected (including any additional amount requested on Line 5 of the form). You are not required to submit copies of the completed forms to the New Jersey Division of Taxation, they should be retained and available to the Division upon request.

Employees are **not required** to complete a Form NJ-W4. If they do not complete a form, the marital status reported on Line 3 of the Federal W-4 Form must be used for New Jersey purposes.

The following individuals may not need to complete a Form NJ-W4:

- Taxpayers whose filing status is "single" and who are not heads of households or surviving spouses/civil union partners.
- Taxpayers whose filing status is "married/civil union couple, filing joint return" and whose combined total from all wages is \$50,000 or less.
- Nonresident taxpayers whose filing status is "married/civil union couple filing joint return" and whose combined total from all New Jersey wages is \$50,000 or less.

INSTRUCTIONS FOR SELECTION OF PROPER WITHHOLDING RATE TABLE

<p>FOR EMPLOYEES WHO COMPLETE FORM NJ-W4</p> <p>If either Box 1 or 3 on Line 2 (Filing Status) is checkedwithhold at Rate A</p> <p>If Box 2, 4 or 5 is checked and Line 3 is blankwithhold at Rate B</p> <p>If Line 3 is completedwithhold at rate selected by employee</p>
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FOR EMPLOYEES WHO DO NOT COMPLETE FORM NJ-W4

If "Single" or "Married/Civil Union Couple, but withhold at higher Single rate" is checked at Line 3 of the Federal W-4withhold at Rate A

If "Married/Civil Union Couple" is checked at Line 3 of the Federal W-4withhold at Rate B

The following withholding rate tables are applicable to wages, salaries and commissions paid **on and after January 1, 2005**. The percentage method computation rates for Rate Tables A through E for weekly, biweekly, semimonthly, monthly, quarterly, semiannual, annual, daily, and miscellaneous pay periods are provided. If you have a pay frequency other than those provided, simply divide all Annual Payroll Period columns (including the \$1,000 withholding allowance) by the number of pay periods in a year. Do not change the withholding percentage rates.

WITHHOLDING ALLOWANCE VALUE TABLE

Payroll Period	One withholding allowance
Weekly	\$ 19.20
Biweekly	38.40
Semimonthly	41.60
Monthly	83.30
Quarterly	250.00
Semiannual	500.00
Annual	1,000.00
Daily or miscellaneous (per day of such period)	2.70

To compute the income tax to be withheld under the percentage method:

- (1) Multiply the proper withholding allowance (above table) by the number of exemptions claimed by the employee;
- (2) Subtract this amount from the wages for the period to determine wages subject to withholding; and
- (3) Refer to the Percentage Method Tables to determine the withholding amount.

Wage amounts may be rounded to nearest dollar for these calculations.

EXAMPLES - Percentage Method - Rate Table "A"

In the examples below single employees are paid weekly and each claims one personal withholding allowance on Form W-4 or NJ-W4.

Rate Table "A" has been selected.

	Example 1	Example 2	Example 3
(1) Total weekly wage payment	\$300.00	\$700.00	\$1,200.00
(2) Value per allowance	19.20	19.20	19.20
(3) Allowance claimed on Form W-4 or NJ-W4	1	1	1
(4) Line 2 multiplied by Line 3	19.20	19.20	19.20
(5) Amount subject to withholding (Line 1 minus Line 4)	280.80	680.80	1,180.80
(6) Amount to be withheld if amount at Line 5 is:			
(a) between \$0 and \$384 - multiply by 1.5%	4.21		
(b) between \$673 and \$769-\$11.54 plus 3.9% of amount over \$673		11.54 .30	
(c) over \$769-\$15.28 plus 6.1% of amount over \$769			15.28 25.12
Amount to withhold	\$ 4.21	\$ 11.84	\$ 40.40

EXAMPLES - Percentage Method - Rate Table "B"

In the examples below married/civil union couple employees are paid weekly and each claims three personal withholding allowances on Form W-4 or NJ-W4.

Rate Table "B" has been selected.

	Example 1	Example 2	Example 3
(1) Total weekly wage payment	\$375.00	\$950.00	\$1,400.00
(2) Value per allowance	19.20	19.20	19.20
(3) Allowance claimed on Form W-4 or NJ-W4	3	3	3
(4) Line 2 multiplied by Line 3	57.60	57.60	57.60
(5) Amount subject to withholding (Line 1 minus Line 4)	317.40	892.40	1,342.40
(6) Amount to be withheld if amount at Line 5 is:			
(a) between \$0 and \$384 - multiply by 1.5%	4.76		
(b) between \$384 and \$961-\$5.76 plus 2.0% of amount over \$384		5.76 10.17	
(c) over \$961-\$17.30 plus 2.7% of amount over \$961			17.30 10.30
Amount to withhold	\$ 4.76	\$ 15.93	\$ 27.60

TABLES FOR PERCENTAGE METHOD OF WITHHOLDING
Applicable to Wages, Salaries, and Commissions Paid on and after January 1, 2005

RATE "A"

WEEKLY PAYROLL PERIOD (Allowance \$19.20)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over	Of Excess Over	
\$ 0	\$ 384	1.5%	\$ 0
\$ 384	\$ 673	\$ 5.76 + 2.0%	\$ 384
\$ 673	\$ 769	\$ 11.54 + 3.9%	\$ 673
\$ 769	\$ 1,442	\$ 15.28 + 6.1%	\$ 769
\$ 1,442	\$ 9,615	\$ 56.34 + 7.0%	\$ 1,442
\$ 9,615		\$ 628.45 + 9.9%	\$ 9,615

BIWEEKLY PAYROLL PERIOD (Allowance \$38.40)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over	Of Excess Over	
\$ 0	\$ 769	1.5%	\$ 0
\$ 769	\$ 1,346	\$ 11.54 + 2.0%	\$ 769
\$ 1,346	\$ 1,538	\$ 23.08 + 3.9%	\$ 1,346
\$ 1,538	\$ 2,884	\$ 30.56 + 6.1%	\$ 1,538
\$ 2,884	\$ 19,231	\$ 112.67 + 7.0%	\$ 2,884
\$ 19,231		\$ 1,256.96 + 9.9%	\$ 19,231

SEMIMONTHLY PAYROLL PERIOD (Allowance \$41.60)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over	Of Excess Over	
\$ 0	\$ 833	1.5%	\$ 0
\$ 833	\$ 1,458	\$ 12.50 + 2.0%	\$ 833
\$ 1,458	\$ 1,666	\$ 25.00 + 3.9%	\$ 1,458
\$ 1,666	\$ 3,125	\$ 33.11 + 6.1%	\$ 1,666
\$ 3,125	\$ 20,833	\$ 122.11 + 7.0%	\$ 3,125
\$ 20,833		\$ 1,361.67 + 9.9%	\$ 20,833

MONTHLY PAYROLL PERIOD (Allowance \$83.30)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over	Of Excess Over	
\$ 0	\$ 1,666	1.5%	\$ 0
\$ 1,666	\$ 2,916	\$ 24.99 + 2.0%	\$ 1,666
\$ 2,916	\$ 3,333	\$ 49.99 + 3.9%	\$ 2,916
\$ 3,333	\$ 6,250	\$ 66.25 + 6.1%	\$ 3,333
\$ 6,250	\$ 41,667	\$ 244.19 + 7.0%	\$ 6,250
\$ 41,667		\$ 2,723.38 + 9.9%	\$ 41,667

QUARTERLY PAYROLL PERIOD (Allowance \$250)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over	Of Excess Over	
\$ 0	\$ 5,000	1.5%	\$ 0
\$ 5,000	\$ 8,750	\$ 75.00 + 2.0%	\$ 5,000
\$ 8,750	\$ 10,000	\$ 150.00 + 3.9%	\$ 8,750
\$ 10,000	\$ 18,750	\$ 198.75 + 6.1%	\$ 10,000
\$ 18,750	\$ 125,000	\$ 732.50 + 7.0%	\$ 18,750
\$ 125,000		\$ 8,170.00 + 9.9%	\$ 125,000

SEMIANNUAL PAYROLL PERIOD (Allowance \$500)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over	Of Excess Over	
\$ 0	\$ 10,000	1.5%	\$ 0
\$ 10,000	\$ 17,500	\$ 150.00 + 2.0%	\$ 10,000
\$ 17,500	\$ 20,000	\$ 300.00 + 3.9%	\$ 17,500
\$ 20,000	\$ 37,500	\$ 397.50 + 6.1%	\$ 20,000
\$ 37,500	\$ 250,000	\$ 1,465.00 + 7.0%	\$ 37,500
\$ 250,000		\$16,340.00 + 9.9%	\$ 250,000

ANNUAL PAYROLL PERIOD (Allowance \$1,000)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over	Of Excess Over	
\$ 0	\$ 20,000	1.5%	\$ 0
\$ 20,000	\$ 35,000	\$ 300.00 + 2.0%	\$ 20,000
\$ 35,000	\$ 40,000	\$ 600.00 + 3.9%	\$ 35,000
\$ 40,000	\$ 75,000	\$ 795.00 + 6.1%	\$ 40,000
\$ 75,000	\$ 500,000	\$ 2,930.00 + 7.0%	\$ 75,000
\$ 500,000		\$32,680.00 + 9.9%	\$ 500,000

DAILY OR MISCELLANEOUS PAYROLL PERIOD (Allowance \$2.70)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over	Of Excess Over	
\$ 0	\$ 55	1.5%	\$ 0
\$ 55	\$ 96	\$ 0.83 + 2.0%	\$ 55
\$ 96	\$ 109	\$ 1.65 + 3.9%	\$ 96
\$ 109	\$ 205	\$ 2.15 + 6.1%	\$ 109
\$ 205	\$ 1,370	\$ 8.01 + 7.0%	\$ 205
\$ 1,370		\$ 89.56 + 9.9%	\$ 1,370

RATE "B"

WEEKLY PAYROLL PERIOD (Allowance \$19.20)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over	Of Excess Over	
\$ 0	\$ 384	1.5%	\$ 0
\$ 384	\$ 961	\$ 5.76 + 2.0%	\$ 384
\$ 961	\$ 1,346	\$ 17.30 + 2.7%	\$ 961
\$ 1,346	\$ 1,538	\$ 27.70 + 3.9%	\$ 1,346
\$ 1,538	\$ 2,884	\$ 35.18 + 6.1%	\$ 1,538
\$ 2,884	\$ 9,615	\$ 117.29 + 7.0%	\$ 2,884
\$ 9,615		\$ 588.46 + 9.9%	\$ 9,615

BIWEEKLY PAYROLL PERIOD (Allowance \$38.40)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over	Of Excess Over	
\$ 0	\$ 769	1.5%	\$ 0
\$ 769	\$ 1,923	\$ 11.54 + 2.0%	\$ 769
\$ 1,923	\$ 2,692	\$ 34.62 + 2.7%	\$ 1,923
\$ 2,692	\$ 3,076	\$ 55.38 + 3.9%	\$ 2,692
\$ 3,076	\$ 5,769	\$ 70.35 + 6.1%	\$ 3,076
\$ 5,769	\$ 19,231	\$ 234.63 + 7.0%	\$ 5,769
\$ 19,231		\$ 1,176.97 + 9.9%	\$ 19,231

RATE "B" (Continued)

SEMIMONTHLY PAYROLL PERIOD (Allowance \$41.60)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 833	1.5%	\$ 0
\$ 833	\$ 2,083	\$ 12.50 + 2.0%	\$ 833
\$ 2,083	\$ 2,916	\$ 37.50 + 2.7%	\$ 2,083
\$ 2,916	\$ 3,333	\$ 59.99 + 3.9%	\$ 2,916
\$ 3,333	\$ 6,250	\$ 76.25 + 6.1%	\$ 3,333
\$ 6,250	\$ 20,833	\$ 254.19 + 7.0%	\$ 6,250
\$ 20,833		\$ 1,275.00 + 9.9%	\$ 20,833

MONTHLY PAYROLL PERIOD (Allowance \$83.30)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 1,666	1.5%	\$ 0
\$ 1,666	\$ 4,166	\$ 24.99 + 2.0%	\$ 1,666
\$ 4,166	\$ 5,833	\$ 74.99 + 2.7%	\$ 4,166
\$ 5,833	\$ 6,666	\$ 120.00 + 3.9%	\$ 5,833
\$ 6,666	\$ 12,500	\$ 152.49 + 6.1%	\$ 6,666
\$ 12,500	\$ 41,667	\$ 508.36 + 7.0%	\$ 12,500
\$ 41,667		\$ 2,550.05 + 9.9%	\$ 41,667

QUARTERLY PAYROLL PERIOD (Allowance \$250)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 5,000	1.5%	\$ 0
\$ 5,000	\$ 12,500	\$ 75.00 + 2.0%	\$ 5,000
\$ 12,500	\$ 17,500	\$ 225.00 + 2.7%	\$ 12,500
\$ 17,500	\$ 20,000	\$ 360.00 + 3.9%	\$ 17,500
\$ 20,000	\$ 37,500	\$ 457.50 + 6.1%	\$ 20,000
\$ 37,500	\$ 125,000	\$ 1,525.00 + 7.0%	\$ 37,500
\$ 125,000		\$ 7,650.00 + 9.9%	\$ 125,000

SEMIANNUAL PAYROLL PERIOD (Allowance \$500)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 10,000	1.5%	\$ 0
\$ 10,000	\$ 25,000	\$ 150.00 + 2.0%	\$ 10,000
\$ 25,000	\$ 35,000	\$ 450.00 + 2.7%	\$ 25,000
\$ 35,000	\$ 40,000	\$ 720.00 + 3.9%	\$ 35,000
\$ 40,000	\$ 75,000	\$ 915.00 + 6.1%	\$ 40,000
\$ 75,000	\$ 250,000	\$ 3,050.00 + 7.0%	\$ 75,000
\$ 250,000		\$ 15,300.00 + 9.9%	\$ 250,000

ANNUAL PAYROLL PERIOD (Allowance \$1,000)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 20,000	1.5%	\$ 0
\$ 20,000	\$ 50,000	\$ 300.00 + 2.0%	\$ 20,000
\$ 50,000	\$ 70,000	\$ 900.00 + 2.7%	\$ 50,000
\$ 70,000	\$ 80,000	\$ 1,440.00 + 3.9%	\$ 70,000
\$ 80,000	\$ 150,000	\$ 1,830.00 + 6.1%	\$ 80,000
\$ 150,000	\$ 500,000	\$ 6,100.00 + 7.0%	\$ 150,000
\$ 500,000		\$ 30,600.00 + 9.9%	\$ 500,000

DAILY OR MISCELLANEOUS PAYROLL PERIOD (Allowance \$2.70)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 55	1.5%	\$ 0
\$ 55	\$ 137	\$ 0.83 + 2.0%	\$ 55
\$ 137	\$ 192	\$ 2.47 + 2.7%	\$ 137
\$ 192	\$ 219	\$ 3.95 + 3.9%	\$ 192
\$ 219	\$ 411	\$ 5.00 + 6.1%	\$ 219
\$ 411	\$ 1,370	\$ 16.72 + 7.0%	\$ 411
\$ 1,370		\$ 83.85 + 9.9%	\$ 1,370

RATE "C"

WEEKLY PAYROLL PERIOD (Allowance \$19.20)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 384	1.5%	\$ 0
\$ 384	\$ 769	\$ 5.76 + 2.3%	\$ 384
\$ 769	\$ 961	\$ 14.62 + 2.8%	\$ 769
\$ 961	\$ 1,153	\$ 19.99 + 3.5%	\$ 961
\$ 1,153	\$ 2,884	\$ 26.71 + 5.6%	\$ 1,153
\$ 2,884	\$ 9,615	\$ 123.65 + 6.6%	\$ 2,884
\$ 9,615		\$ 567.90 + 9.9%	\$ 9,615

BIWEEKLY PAYROLL PERIOD (Allowance \$38.40)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 769	1.5%	\$ 0
\$ 769	\$ 1,538	\$ 11.54 + 2.3%	\$ 769
\$ 1,538	\$ 1,923	\$ 29.22 + 2.8%	\$ 1,538
\$ 1,923	\$ 2,307	\$ 40.00 + 3.5%	\$ 1,923
\$ 2,307	\$ 5,769	\$ 53.44 + 5.6%	\$ 2,307
\$ 5,769	\$ 19,231	\$ 247.31 + 6.6%	\$ 5,769
\$ 19,231		\$ 1,135.80 + 9.9%	\$ 19,231

SEMIMONTHLY PAYROLL PERIOD (Allowance \$41.60)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 833	1.5%	\$ 0
\$ 833	\$ 1,666	\$ 12.50 + 2.3%	\$ 833
\$ 1,666	\$ 2,083	\$ 31.65 + 2.8%	\$ 1,666
\$ 2,083	\$ 2,500	\$ 43.33 + 3.5%	\$ 2,083
\$ 2,500	\$ 6,250	\$ 57.93 + 5.6%	\$ 2,500
\$ 6,250	\$ 20,833	\$ 267.93 + 6.6%	\$ 6,250
\$ 20,833		\$ 1,230.41 + 9.9%	\$ 20,833

MONTHLY PAYROLL PERIOD (Allowance \$83.30)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 1,666	1.5%	\$ 0
\$ 1,666	\$ 3,333	\$ 24.99 + 2.3%	\$ 1,666
\$ 3,333	\$ 4,166	\$ 63.33 + 2.8%	\$ 3,333
\$ 4,166	\$ 5,000	\$ 86.66 + 3.5%	\$ 4,166
\$ 5,000	\$ 12,500	\$ 115.85 + 5.6%	\$ 5,000
\$ 12,500	\$ 41,667	\$ 535.85 + 6.6%	\$ 12,500
\$ 41,667		\$ 2,460.87 + 9.9%	\$ 41,667

RATE "C" (Continued)

QUARTERLY PAYROLL PERIOD (Allowance \$250)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 5,000		\$ 0
\$ 5,000	\$ 10,000	\$ 75.00 + 2.3%	\$ 5,000
\$ 10,000	\$ 12,500	\$ 190.00 + 2.8%	\$ 10,000
\$ 12,500	\$ 15,000	\$ 260.00 + 3.5%	\$ 12,500
\$ 15,000	\$ 37,500	\$ 347.50 + 5.6%	\$ 15,000
\$ 37,500	\$ 125,000	\$ 1,607.50 + 6.6%	\$ 37,500
\$ 125,000		\$ 7,382.50 + 9.9%	\$ 125,000

SEMIANNUAL PAYROLL PERIOD (Allowance \$500)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 10,000		\$ 0
\$ 10,000	\$ 20,000	\$ 150.00 + 2.3%	\$ 10,000
\$ 20,000	\$ 25,000	\$ 380.00 + 2.8%	\$ 20,000
\$ 25,000	\$ 30,000	\$ 520.00 + 3.5%	\$ 25,000
\$ 30,000	\$ 75,000	\$ 695.00 + 5.6%	\$ 30,000
\$ 75,000	\$ 250,000	\$ 3,215.00 + 6.6%	\$ 75,000
\$ 250,000		\$14,765.00 + 9.9%	\$ 250,000

ANNUAL PAYROLL PERIOD (Allowance \$1,000)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 20,000		\$ 0
\$ 20,000	\$ 40,000	\$ 300.00 + 2.3%	\$ 20,000
\$ 40,000	\$ 50,000	\$ 760.00 + 2.8%	\$ 40,000
\$ 50,000	\$ 60,000	\$ 1,040.00 + 3.5%	\$ 50,000
\$ 60,000	\$ 150,000	\$ 1,390.00 + 5.6%	\$ 60,000
\$ 150,000	\$ 500,000	\$ 6,430.00 + 6.6%	\$ 150,000
\$ 500,000		\$29,530.00 + 9.9%	\$ 500,000

DAILY OR MISCELLANEOUS PAYROLL PERIOD (Allowance \$2.70)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 55		\$ 0
\$ 55	\$ 109	\$ 0.83 + 2.3%	\$ 55
\$ 109	\$ 137	\$ 2.07 + 2.8%	\$ 109
\$ 137	\$ 164	\$ 2.85 + 3.5%	\$ 137
\$ 164	\$ 411	\$ 3.80 + 5.6%	\$ 164
\$ 411	\$ 1,370	\$ 17.63 + 6.6%	\$ 411
\$ 1,370		\$ 80.92 + 9.9%	\$ 1,370

RATE "D"

WEEKLY PAYROLL PERIOD (Allowance \$19.20)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 384		\$ 0
\$ 384	\$ 769	\$ 5.76 + 2.7%	\$ 384
\$ 769	\$ 961	\$ 16.16 + 3.4%	\$ 769
\$ 961	\$ 1,153	\$ 22.68 + 4.3%	\$ 961
\$ 1,153	\$ 2,884	\$ 30.94 + 5.6%	\$ 1,153
\$ 2,884	\$ 9,615	\$ 127.88 + 6.5%	\$ 2,884
\$ 9,615		\$ 565.40 + 9.9%	\$ 9,615

BIWEEKLY PAYROLL PERIOD (Allowance \$38.40)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 769		\$ 0
\$ 769	\$ 1,538	\$ 11.54 + 2.7%	\$ 769
\$ 1,538	\$ 1,923	\$ 32.30 + 3.4%	\$ 1,538
\$ 1,923	\$ 2,307	\$ 45.39 + 4.3%	\$ 1,923
\$ 2,307	\$ 5,769	\$ 61.90 + 5.6%	\$ 2,307
\$ 5,769	\$ 19,231	\$ 255.77 + 6.5%	\$ 5,769
\$ 19,231		\$ 1,130.80 + 9.9%	\$ 19,231

SEMIMONTHLY PAYROLL PERIOD (Allowance \$41.60)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 833		\$ 0
\$ 833	\$ 1,666	\$ 12.50 + 2.7%	\$ 833
\$ 1,666	\$ 2,083	\$ 34.99 + 3.4%	\$ 1,666
\$ 2,083	\$ 2,500	\$ 49.16 + 4.3%	\$ 2,083
\$ 2,500	\$ 6,250	\$ 67.10 + 5.6%	\$ 2,500
\$ 6,250	\$ 20,833	\$ 277.10 + 6.5%	\$ 6,250
\$ 20,833		\$ 1,225.00 + 9.9%	\$ 20,833

MONTHLY PAYROLL PERIOD (Allowance \$83.30)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 1,666		\$ 0
\$ 1,666	\$ 3,333	\$ 24.99 + 2.7%	\$ 1,666
\$ 3,333	\$ 4,166	\$ 70.00 + 3.4%	\$ 3,333
\$ 4,166	\$ 5,000	\$ 98.32 + 4.3%	\$ 4,166
\$ 5,000	\$ 12,500	\$ 134.18 + 5.6%	\$ 5,000
\$ 12,500	\$ 41,667	\$ 554.18 + 6.5%	\$ 12,500
\$ 41,667		\$ 2,450.04 + 9.9%	\$ 41,667

QUARTERLY PAYROLL PERIOD (Allowance \$250)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 5,000		\$ 0
\$ 5,000	\$ 10,000	\$ 75.00 + 2.7%	\$ 5,000
\$ 10,000	\$ 12,500	\$ 210.00 + 3.4%	\$ 10,000
\$ 12,500	\$ 15,000	\$ 295.00 + 4.3%	\$ 12,500
\$ 15,000	\$ 37,500	\$ 402.50 + 5.6%	\$ 15,000
\$ 37,500	\$ 125,000	\$ 1,662.50 + 6.5%	\$ 37,500
\$ 125,000		\$ 7,350.00 + 9.9%	\$ 125,000

SEMIANNUAL PAYROLL PERIOD (Allowance \$500)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 10,000		\$ 0
\$ 10,000	\$ 20,000	\$ 150.00 + 2.7%	\$ 10,000
\$ 20,000	\$ 25,000	\$ 420.00 + 3.4%	\$ 20,000
\$ 25,000	\$ 30,000	\$ 590.00 + 4.3%	\$ 25,000
\$ 30,000	\$ 75,000	\$ 805.00 + 5.6%	\$ 30,000
\$ 75,000	\$ 250,000	\$ 3,325.00 + 6.5%	\$ 75,000
\$ 250,000		\$14,700.00 + 9.9%	\$ 250,000

RATE "D" (Continued)

ANNUAL PAYROLL PERIOD (Allowance \$1,000)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 20,000	1.5%	\$ 0
\$ 20,000	\$ 40,000	\$ 300.00 + 2.7%	\$ 20,000
\$ 40,000	\$ 50,000	\$ 840.00 + 3.4%	\$ 40,000
\$ 50,000	\$ 60,000	\$ 1,180.00 + 4.3%	\$ 50,000
\$ 60,000	\$ 150,000	\$ 1,610.00 + 5.6%	\$ 60,000
\$ 150,000	\$ 500,000	\$ 6,650.00 + 6.5%	\$ 150,000
\$ 500,000		\$ 29,400.00 + 9.9%	\$ 500,000

DAILY OR MISCELLANEOUS PAYROLL PERIOD (Allowance \$2.70)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 55	1.5%	\$ 0
\$ 55	\$ 109	\$ 0.83 + 2.7%	\$ 55
\$ 109	\$ 137	\$ 2.28 + 3.4%	\$ 109
\$ 137	\$ 164	\$ 3.24 + 4.3%	\$ 137
\$ 164	\$ 411	\$ 4.40 + 5.6%	\$ 164
\$ 411	\$ 1,370	\$ 18.23 + 6.5%	\$ 411
\$ 1,370		\$ 80.57 + 9.9%	\$ 1,370

RATE "E"

WEEKLY PAYROLL PERIOD (Allowance \$19.20)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 384	1.5%	\$ 0
\$ 384	\$ 673	\$ 5.76 + 2.0%	\$ 384
\$ 673	\$ 1,923	\$ 11.54 + 5.8%	\$ 673
\$ 1,923	\$ 9,615	\$ 84.04 + 6.5%	\$ 1,923
\$ 9,615		\$ 584.02 + 9.9%	\$ 9,615

BIWEEKLY PAYROLL PERIOD (Allowance \$38.40)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 769	1.5%	\$ 0
\$ 769	\$ 1,346	\$ 11.54 + 2.0%	\$ 769
\$ 1,346	\$ 3,846	\$ 23.08 + 5.8%	\$ 1,346
\$ 3,846	\$ 19,231	\$ 168.08 + 6.5%	\$ 3,846
\$ 19,231		\$ 1,168.11 + 9.9%	\$ 19,231

SEMIMONTHLY PAYROLL PERIOD (Allowance \$41.60)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 833	1.5%	\$ 0
\$ 833	\$ 1,458	\$ 12.50 + 2.0%	\$ 833
\$ 1,458	\$ 4,166	\$ 25.00 + 5.8%	\$ 1,458
\$ 4,166	\$ 20,833	\$ 182.06 + 6.5%	\$ 4,166
\$ 20,833		\$ 1,265.42 + 9.9%	\$ 20,833

MONTHLY PAYROLL PERIOD (Allowance \$83.30)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 1,666	1.5%	\$ 0
\$ 1,666	\$ 2,916	\$ 24.99 + 2.0%	\$ 1,666
\$ 2,916	\$ 8,333	\$ 49.99 + 5.8%	\$ 2,916
\$ 8,333	\$ 41,667	\$ 364.18 + 6.5%	\$ 8,333
\$ 41,667		\$ 2,530.89 + 9.9%	\$ 41,667

QUARTERLY PAYROLL PERIOD (Allowance \$250)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 5,000	1.5%	\$ 0
\$ 5,000	\$ 8,750	\$ 75.00 + 2.0%	\$ 5,000
\$ 8,750	\$ 25,000	\$ 150.00 + 5.8%	\$ 8,750
\$ 25,000	\$ 125,000	\$ 1,092.50 + 6.5%	\$ 25,000
\$ 125,000		\$ 7,592.50 + 9.9%	\$ 125,000

SEMIANNUAL PAYROLL PERIOD (Allowance \$500)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 10,000	1.5%	\$ 0
\$ 10,000	\$ 17,500	\$ 150.00 + 2.0%	\$ 10,000
\$ 17,500	\$ 50,000	\$ 300.00 + 5.8%	\$ 17,500
\$ 50,000	\$ 250,000	\$ 2,185.00 + 6.5%	\$ 50,000
\$ 250,000		\$ 15,185.00 + 9.9%	\$ 250,000

ANNUAL PAYROLL PERIOD (Allowance \$1,000)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 20,000	1.5%	\$ 0
\$ 20,000	\$ 35,000	\$ 300.00 + 2.0%	\$ 20,000
\$ 35,000	\$ 100,000	\$ 600.00 + 5.8%	\$ 35,000
\$ 100,000	\$ 500,000	\$ 4,370.00 + 6.5%	\$ 100,000
\$ 500,000		\$ 30,370.00 + 9.9%	\$ 500,000

DAILY OR MISCELLANEOUS PAYROLL PERIOD (Allowance \$2.70)

If the amount of taxable wages is:		The amount of income tax to be withheld is:	
Over	But Not Over		Of Excess Over
\$ 0	\$ 55	1.5%	\$ 0
\$ 55	\$ 96	\$ 0.83 + 2.0%	\$ 55
\$ 96	\$ 274	\$ 1.65 + 5.8%	\$ 96
\$ 274	\$ 1,370	\$ 11.97 + 6.5%	\$ 274
\$ 1,370		\$ 83.21 + 9.9%	\$ 1,370

11. EMPLOYER'S QUARTERLY REPORT

Employers required to withhold and remit New Jersey gross income tax from their employee's pay will be electronically filing one of two quarterly reports, Return NJ-927 or Return NJ-927-W, Employer's Quarterly Report. The Employer's Quarterly Report reports New Jersey Gross Income Tax withheld and Worker Unemployment Insurance, Supplemental Workforce Fund, Workforce Development Partnership Fund, Family Leave Insurance and Disability Insurance wage and withholding information.

Beginning with the first quarter reporting period, March 2009, New Jersey will be requiring all employers to file electronically; **paper forms will no longer be available**. The Division of Revenue has provided an online guide which lists the electronic filing, registration and payment opportunities that are available. The information is available at: <http://www.state.nj.us/treasury/revenue/electronfileopt.htm>.

Customer service representatives are available at both the Division of Taxation and the Department of Labor and Workforce Development to answer specific tax questions about the Gross Income Tax (Taxation) and Unemployment and Disability Insurance (Division of Employer Accounts). Those general information phone numbers are: the Division of Taxation Customer Service Center 609-984-1721 and the New Jersey Department of Labor and Workforce Development, Division of Employer Accounts Hotline 609-633-6400. You can find information and answers to frequently asked questions on the following websites:

NJ Division of Taxation - <http://www.state.nj.us/treasury/taxation>
NJ Department of Labor and Workforce Development - <http://www.state.nj.us/labor>.

All employers are **required** to electronically file (Return NJ-927 or Return NJ-927-W) for each calendar quarter, regardless of the amount of tax actually due for a particular quarter. Quarterly reports (Returns NJ-927/NJ-927-W) are due on the thirtieth day of the month following the end of each quarter. All employers are still required to file the year-end reconciliation, Form NJ-W-3.

Certain employers of household workers may report and pay New Jersey Gross Income Tax withheld, and unemployment and disability insurance contributions on an annual basis on return NJ-927-H. See paragraph E, Annual Payer, below. Return NJ-927-H is due on January 31 following the close of the calendar year.

12. PAYMENT CLASSIFICATIONS

A. Weekly Payer - Employers with a prior year liability of \$10,000 or more for employer income tax withholdings will be designated by the Division of Taxation as a "weekly payer." See P.L. 2004, c.52. Weekly payers must electronically remit, via the Electronic Funds Transfer (EFT), all State income tax withholdings. Tax is due on or before the Wednesday of the week following the week (Sunday through Saturday) containing the payday(s) on which the taxes were withheld.

Frequency of remittance for weekly payers is determined by the frequency of the paydays and can be weekly, biweekly, monthly, etc. Weekly payers are required to file a quarterly report, Return NJ-927-W. Weekly payers making a withholding payment are to use TXP Tax Type Code "01170", Addendum Record "G."

Employers using EFT are required to use the quarter's period end date for all payments. Therefore, for any and all paydays (and related withholdings) occurring in:

- the first quarter of 2009, the Tax Period End Date is "090331".
- the second quarter of 2009, the Tax Period End Date is "090630".
- the third quarter of 2009, the Tax Period End Date is "090930".
- the fourth quarter of 2009, the Tax Period End Date is "091231".

For example, ABC Company has a payday on June 12, 2009, and withholds \$1,500 New Jersey Gross Income Tax. ABC Company must remit \$1,500 via EFT by Wednesday, June 17, 2009. The Tax Period End Date on the EFT transaction would be "090630," and the NJ-927-W Gross Income Tax liability and payment would be reported on the June 2009 Employer's Quarterly Report.

B. Monthly Payer - Employers not required to pay tax as a weekly payer are to use NJ-500, Monthly Remittance of Gross Income Tax Withheld and electronically remit it on a monthly basis whenever the tax due in either of the first two months of a calendar quarter is \$500 or more. Tax due for the third month is paid when electronically filing the quarterly report, Return NJ-927. EFT taxpayers use

monthly TXP Tax Type code "01120".

- C. Quarterly Payer** - When tax due for either of the first two months of the quarter is less than \$500, that tax should be paid when electronically filing the quarterly report, Return NJ-927. EFT taxpayers use Quarterly TXP Tax Type Code "01130".
- D. Seasonal Business** - Seasonal employers are also bound by the same payment and filing requirements as listed above.
- E. Annual Payer-Domestic Employers** - Certain employers of household workers may report and remit gross income tax and unemployment and disability insurance contributions electronically on an annual basis (NJ-927-H). Employers with employees other than domestic service workers may not use Return NJ-927-H, must electronically file a quarterly report, Return NJ-927 (or NJ-927-W) each quarter.
- F. Close of Business** - The employer must file a final return. The final return must be filed within 30 days after the end of the month in which business or payment of wages ceased, irrespective of the reporting period due date. Any tax due must be remitted with this report.

13. ONLINE FILING OF THE NJ-927, NJ-927-W AND NJ-927-H

To access this service, you will need your New Jersey taxpayer identification number and either your four-digit Personal Identification Number (PIN) or the first four characters of your registered taxpayer name.

Our website address for filing the NJ-927/NJ-927-W/NJ927-H is: <http://www.state.nj.us/treasury/taxation/>.

Beginning in 2009, the appearance of the employer's online filing service will change. The Report information pertaining to the Employer Gross Income Tax Withheld portion of the return will be filled in under sections titled: "GIT Amounts Withheld for Quarter" and "Employer Gross Income Tax (GIT) Withholding". The Labor and Workforce Development portion of the return will be filled in under the section titled: "Unemployment, Disability, Workforce, and Health Care".

In addition to the filing of quarterly reports, payments for balances due are required to be made electronically; paper checks will no longer be accepted. Our online service allows you to pay any balances due for the quarter you are filing via credit card, e-check, or EFT.

You can find information and answers to frequently asked questions on the following websites:

NJ Division of Taxation - <http://www.state.nj.us/treasury/taxation>
NJ Division of Revenue - <http://www.state.nj.us/treasury/revenue>

14. PAYMENT OF TAX WITHHELD

Payment is required for the full amount of tax withheld for your Monthly Remittance (NJ-500) or Employer's Quarterly Report (Return NJ-927 or Return NJ-927-W) or Domestic Employer's Annual Report (Return NJ-927-H). The payment should be made by a single remittance.

A registered employer or other authorized withholder of New Jersey income tax is acting as a trustee for the State of New Jersey. The amount withheld must be remitted to the State in payment of the accrued income tax liability of the individual(s) from whose wages or payments the funds were deducted. The law provides that business owners, partners, corporate officers, and some employees may be personally liable for the amount of all such tax withheld. In the event of delinquency, an employer may be required to deposit all withheld amounts in a separate account in trust for the New Jersey Division of Taxation or may be ordered to file reports and pay the tax as required by the Director of the Division of Taxation. Penalties and interest will be imposed for failure to withhold and remit the tax on a timely basis.

15. ELECTRONIC FUNDS TRANSFER

The New Jersey Division of Taxation has established procedures for the remittance of tax payments electronically through Electronic Funds Transfer (EFT). P.L. 2004, c.52 requires business taxpayers with a prior year's liability of \$10,000 or more in any one tax to remit all tax payments to the Division of Taxation using EFT.

If you meet the requirements for participation in the program, you will automatically be notified by the Division of Taxation and sent all applications and registration information required for participation. Employers may voluntarily remit through EFT.

If you have any questions concerning the Electronic Funds Transfer program you may call 609-984-9830 or write to: New Jersey Division of Revenue, EFT Group, PO Box 191, Trenton, NJ 08646-0191.

16. PENALTIES, INTEREST, AND FEES

Failure to file a report by the due date and/or failure to remit any taxes due by the due date will result in penalty and interest charges. Anyone required to withhold gross income tax does so as a trustee on behalf of the State of New Jersey. Thus business owners, partners, corporate officers, and some employees of such businesses may be held personally liable for failure to collect the tax when required or for failure to file returns and remit any taxes due on a timely basis.

Late Filing Penalties - 5% per month (or fraction thereof) of the balance of tax liability due at original return due date not to exceed 25% of such tax liability. A penalty of \$100 per month (or fraction thereof) for each month return is delinquent may also be imposed.

Late Payment Penalty - 5% of the balance of the taxes due and paid late.

Interest - The annual interest rate is 3% above the average predominant prime rate. Interest is imposed each month (or fraction thereof) on the unpaid balance of the tax from the original due date to the date of payment. At the end of each calendar year any tax, penalties, and interest remaining due will become part of the balance on which interest is charged.

Note: The average predominant prime rate is the rate as determined by the Board of Governors of the Federal Reserve System, quoted by commercial banks to large businesses on December 1st of the calendar year immediately preceding the calendar year in which the payment was due or as determined by the Director in accordance with N.J.S.A. 54:48-2.

Collection Fees - In addition to the above penalties and interest, if your tax bill is sent to a collection agency, a referral cost recovery fee of 10% of the tax due will be added to your liability. If a certificate of debt is issued for your outstanding liability, a fee for the cost of collection may also be imposed.

17. CORRECTING MISTAKES

If no tax, or less than the correct amount of tax (other than on tips), is deducted from any wage payment, the employer is authorized to deduct the amount of the undercollection from later payments to the employee. However, the employer is liable for any underpayment. Reimbursement is a matter for settlement between the employer and employee. If, in any filing period, more than the correct amount of tax is deducted from any wage payment, the overcollection shall be repaid to the employee. If overcollection is repaid to the employee, the employer must obtain and keep as a part of his records a written receipt of the employee showing the date and amount of the repayment. Every collection not repaid to and receipted for by the employee must be reported and paid to the Division of Taxation with the return for the filing period in which the overcollection was made.

If the correct amount of tax is not paid to the Division of Taxation, proper adjustment may be made on the first remittance or return filed after the error is discovered. If an error was made on a prior remittance within a calendar quarter resulting in either an overpayment or underpayment, you may correct the error by adjusting the following period's remittance. If, at the time of completion of the Employer's Quarterly Report (Return NJ-927 or NJ-927-W) you find an error, you may make a final remittance payment, or, in the case of an overpayment, request a credit to the next quarter or request a refund on the NJ-927 or NJ-927-W. If an error is found after the quarterly report was filed (such as at year end), you must electronically file an amended NJ-927 (Return NJ-927X) or NJ-927-W (Return NJ-927-WX) for any resulting overpayment or underpayment and to pay any additional tax due for each quarter which is found to be incorrect. In instances where more than one quarter is found to be incorrect, a separate amendment for each affected quarter is required. Negative returns are not allowed and will not be accepted for processing.

You may also make a direct application for refund using Form A-3730, which is available upon request from the Customer Service Center at 609-984-1721 and from the Division's website at www.state.nj.us/treasury/taxation.

18. WAGE AND TAX STATEMENTS FOR EMPLOYEES

Employers must furnish a Wage and Tax Statement (Form W-2) to each employee showing the amount of wages paid, the amount of State income tax withheld and certain other information. New Jersey does not

have a separate form for reporting this wage and tax information.

Employers are to report the total amount of wages, tips, and other compensation paid to each employee for services rendered both inside and outside of the State. The amount of state income tax withheld for each employee as well as the name of the state to which the employer remitted the amounts withheld must also be shown. **The employer must indicate the amount of New Jersey tax withheld and the "State" box of Form W-2 must indicate that the tax withheld was New Jersey income tax.**

The W-2 "State" wage box amount must include, **in addition to the box 1 wage amounts**, the following:

- Employee elective amounts contributed to all types of pension plans, except elective contributions to an IRC section 401(k) plan (for details, see page 2).
- Cafeteria plan contributions (except those excludable as detailed on page 2).
- IRC section 129 dependent care benefits.
- IRC section 137 adoption expense benefits.

If it becomes necessary to correct a W-2 after it has been given to an employee, a corrected statement clearly marked "corrected by employer" must be issued to the employee. If a Wage and Tax Statement is lost or destroyed, a substitute copy clearly marked "reissued by employer" should be furnished to the employee.

A. Reporting Withholding of Unemployment Insurance, Supplemental Workforce Fund, Workforce Development Partnership Fund, and Disability Insurance Contributions and Family Leave Insurance (FLI) - Amounts deducted and withheld as worker contributions to Unemployment Insurance/Supplemental Workforce Fund/Workforce Development Partnership Fund and Disability Insurance as provided under the New Jersey Unemployment Compensation Law are to be reported on employee Wage and Tax Statements (Federal Form W-2), (P.L. 1992, c.160; P.L. 1992, c.44; P.L. 1981, c.453). The employer must include a combined amount for Unemployment Insurance/Supplemental Workforce Fund/Workforce Development Partnership Fund and report separate amounts for both State Disability Insurance withheld and the Family Leave Insurance (P.L. 2008, c.17, provides an assessment on employees beginning January 1, 2009, to fund the FLI program.

Note: Employers with approved private plans must include their assigned private plan number.

In order to assist New Jersey employers and other preparers of Form W-2, Wage and Tax Statements, with the proper reporting for calendar year 2008, samples of completed W-2 forms are provided on pages 15-16.

B. When to Furnish Wage and Tax Statements - Wage and Tax Statements for a calendar year and any corrected statements made for that year must be furnished to employees no later than February 15 following the close of such year. However, if an employee leaves the service of the employer before the close of the calendar year and is not expected to return to work within the calendar year, the statement must be furnished to the employee not later than 30 days after the last payment of wages is made to the employee.

Should such employee later be reinstated by the same employer during the calendar year, a separate Wage and Tax Statement must be furnished to the employee covering such period of employment within the calendar year.

C. Undeliverable Wage and Tax Statements - Any employee copies of the W-2 which, after reasonable effort, cannot be delivered to the employee, should be forwarded to the State of New Jersey-Division of Taxation, Revenue Processing Center, Gross Income Tax, PO Box 333, Trenton, NJ 08646-0333 on or before June 30 of the next calendar year. These forms should be accompanied by a cover letter setting forth the circumstances. A business which terminates prior to the close of the calendar year should forward the undeliverable W-2 forms with their final return.

19. RECONCILIATION OF TAX WITHHELD (Form NJ-W-3)

A Reconciliation of New Jersey Gross Income Tax Withheld (Form NJ-W-3) must be filed as follows:

1. For a continuing business - on or before the last day in February following the close of the calendar year.
2. For a terminated business - within 30 days after the close of the month in which business entity or payment of wages ceased.

Form NJ-W-3 is to be filed with the State of New Jersey-Division of Taxation, Revenue Processing Center, Gross Income Tax, PO Box 333, Trenton, NJ 08646-0333 together with:

- for employers, Copy 1 of the corresponding individual employee wage and tax statements (Form W-2); for payors of pension and annuity income, the corresponding information returns (Form 1099-R and 1099-MISC) but only those which indicate New Jersey income tax was withheld from the associated payment; for payors of income to Unregistered Unincorporated Contractors, Schedule NJ-W-3-UNC and corresponding recipient statements (Form 1099-MISC); for payors of gambling winnings, Schedule NJ-W3-G and the corresponding recipient statements (Forms W-2G and/or 1042-S).
- a totaled listing of amounts withheld as reported on the enclosed W-2s, 1099-Rs, 1099-MISC, W-2Gs and 1042-Ss.

For the tax year ending 12/31/2008, the reconciliation package which includes Form NJ-W-3, copies of information returns (i.e., W-2s, 1099-Rs, and W-2Gs), Schedule NJ-W3-G (if appropriate), Schedule NJ-W-3-UNC and corresponding recipient statements (Forms 1099-MISC) and totaled listing of amounts withheld, is to be sent to the Division separately from any Form NJ-500, Monthly Remittance of Gross Income Tax Withheld, Form NJ-550, Monthly Return of Withholding from Unregistered Unincorporated Contractors or any return NJ-927, NJ-927-W, Employer's Quarterly Report, return NJ-927-H Domestic Employer's Annual Report. No payment is sent with Form NJ-W-3 (see page 10). An employer/payor who discontinues business or permanently ceases to pay wages files a "Final Return" and Form NJ-W-3. (Postal regulations require that these forms be sent by first class mail.) Instructions for submitting the reconciliation package for the tax year ending 12/31/2009 will be provided at a later date.

Where the number of forms is large, they may be forwarded to the New Jersey Division of Taxation in packages of convenient size. When this is done, each package should be identified with the name and account number of the employer and consecutively numbered. Form NJ-W-3 should be placed in package No. 1 and the number of packages indicated on the summary form.

If an employer's total payroll consists of a number of separate units or establishments, the W-2s may be assembled accordingly and a separate totaled list submitted for each establishment. In such a case, a summary list should be submitted and the total of each should agree with the closing entry made on Form NJ-W-3.

A. Electronic Filing - In lieu of filing Copy 1 of the Wage and Tax Statement (Form W-2), employers may file electronically. The Division conforms to the latest Federal Specifications defined in the Social Security Administration's Publication EFW2. The NJ-EFW2 Booklet which details the requirements for reporting New Jersey State wage and tax information electronically is available on our website at:

http://www.state.nj.us/treasury/taxation/pdf/other_forms/git-er/nj_efw2.pdf

The NJ-EFW2 instruction booklet containing the information to file electronically may be received by calling the Division's Automated Forms Request System 1-800-323-4400 or fax the NJ TaxFax number (609) 826-4500.

The Reconciliation of Gross Income Tax Withheld (Form NJ-W3) must be electronically filed with the wage and tax information.

20. WITHHOLDING FROM GAMBLING WINNINGS

If you have withheld New Jersey Gross Income Tax from gambling winnings, you are required to issue a Form W-2G "Statement for Recipient of Certain Gambling Winnings" to the winner upon the issuance of the proceeds. Remittance of withholdings from gambling

winnings shall be paid in the form of a monthly payment of New Jersey Gross Income Tax Withheld (NJ-500), and/or Return NJ-927/NJ-927-W, Employer's Quarterly Report, together with any withholdings made as an employer in New Jersey during the same period. Filing period requirements are based on the aggregate of the withholdings made from both sources. Schedule NJ-W3-G, Schedule for Computing Amount Withheld From Employee Wages and Gambling Winnings must be completed and filed with Form NJ-W-3. Copy 1 of both W-2s and W-2Gs issued and a totaled listing of amounts withheld from both sources must also accompany the NJ-W-3 filed with the State.

In addition to the above, casinos and racetracks operating in New Jersey are required to file Form GMB-5, Report of New Jersey Gross Income Tax Withheld From Gambling Winnings, on a monthly basis.

If you are required to withhold from gambling winnings but you are not registered with the New Jersey Division of Revenue as an employer, you must complete and file Form NJ-REG, Business Registration Application.

If you are an employer and have withheld from gambling winnings, you must file Schedule NJ-W3-G with Form NJ-W-3.

In order to obtain Form NJ-REG or Schedule NJ-W3-G, contact the New Jersey Division of Taxation's Forms Request System at 1-800-323-4400 (Touch-tone phones within NJ, NY, PA, DE, and MD) or 609-826-4400 (Touch-tone phones anywhere), contact the Customer Service Center at 609-984-1721 or write to: NJ Division of Taxation, Taxpayer Forms Services, PO Box 269, Trenton, NJ 08695-0269. Form NJ-REG may also be filed online at: www.state.nj.us/njbgs/services.html.

21. Withholding Requirement for Contractor Services

Chapter 85, P.L. 2006 requires persons, other than a governmental entity, homeowner or tenant, maintaining an office or transacting business in New Jersey and making payments for services to certain unincorporated construction contractors and unregistered individuals to withhold New Jersey Gross Income Tax at the rate of 7% from those payments. See N.J.S.A. 54A:7-1. For more information regarding the New Withholding Requirement for Contractor Services, information is available on the Division's website found at <http://www.state.nj.us/treasury/taxation/noticegit.shtml>

22. WITHHOLDING FROM PENSION AND ANNUITY INCOME

Payors of pensions and annuities are required to withhold New Jersey Gross Income Tax from pensions and annuities if requested to do so by recipients (P.L. 1989, c.328). Since nonresidents are not subject to tax on pension and annuity income from New Jersey sources (P.L. 1989, c.219), this applies only to payments made to New Jersey residents.

- This provision applies to all payors of pensions and annuities, both private and public and to all payments, including lump sum distributions.
- The minimum amount that can be withheld is \$10 per payment.
- No limit is placed on the amount that can be withheld, but it must be an even dollar amount.

A. Agreements between payors and recipients - A Certificate of Voluntary Withholding of New Jersey Gross Income Tax From Pension and Annuity Payments (NJ-W-4P) is included in this booklet. You may have the recipients of your pension or annuity payments complete this reproducible form or you may design your own form for their use provided it contains the same information as the NJ-W-4P form. In either case, you must have an agreement with the recipient on file before you begin withholding from payments.

B. Payment of Tax Withheld - Payment is required for the full amount of tax withheld for your Monthly Remittance (NJ-500) or Employer's Quarterly Report (Return NJ-927 or Return NJ-927-W) or Domestic Employer's Annual Return (Return NJ-927-H). The payment should be made electronically by a single remittance.

C. Reporting the Tax Withheld - The amount of tax withheld must be reported on your Employer's Quarterly Report (NJ-927 or NJ-927-W). Simply include the amount of tax withheld from pensions and annuities in the boxes provided under "GIT Amounts Withheld from Quarter" (Return NJ-927 or Return NJ-927-W).

D. Penalties, Interest, and Fees - Penalties, interest, and fees as provided by law will be imposed for failure to make Monthly Payment (NJ-500) or file Report NJ-927/NJ-927-W and remit the tax withheld timely. Gross Income Withholding tax is a trust tax for the State of New Jersey. As such, a responsible person may be held personally liable for gross income tax withholdings due from a corporation.

E. Reconciliation of Tax Withheld - Information concerning the amount of State income tax withheld from pension and annuity payments should be included on your Reconciliation of New Jersey Gross Income Tax Withheld (NJ-W-3). Copies of Federal Forms W-2 and 1099-R should be attached to the NJ-W-3 along with totaled listings of the amounts of income tax withheld as shown on these forms.

F. Out-of-State Payors - Out-of-State payors of pensions and annuities who are registered with the New Jersey Division of Taxation are required to withhold New Jersey income tax from payments made to New Jersey recipients when requested to do so by the recipients.

Out-of-state payors who are not required to be registered in New Jersey (i.e., they have no nexus with New Jersey) may register solely for the purpose of withholding New Jersey income tax for their New Jersey pensioners and annuitants.

G. Registering to Withhold Tax - If you are not already registered with the State of New Jersey, you must complete Form NJ-REG (Business Registration Application).

For more information about your Gross Income Tax withholding requirements or to request an NJ-REG, call the Division of Taxation's Automated Tax Information System at 1-800-323-4400 (Touch-tone phones within NJ, NY, PA, DE, and MD) or 609-826-4400 (Touch-tone phones anywhere). To speak with a Division representative, call the Division of Taxation Customer Service Center at 609-984-1721.

23. 1099 INFORMATION REPORTING

Form 1099 information returns must be filed with the New Jersey Division of Taxation by all payors of interest and dividends (including banks, savings and loan associations, building and loan associations, and savings banks); lessees or mortgagors of real or personal property; fiduciaries; employers; and all other payors of interest, rents, salaries, wages, premiums, annuities, compensation, remuneration, or other gains, profits or income, including those who are required to file Federal Form 1099 or any of the Form 1099 designations, when the amount paid or credited is \$1,000 or more in a calendar year or if any New Jersey income tax was withheld from the payment.

Payors must file Form 1099 information returns with a letter of transmittal on or before February 15 following the close of each calendar year. However, the Division will consider these forms timely filed if they are submitted no later than the Federal filing deadline of February 28, 2009. Form 1099 information returns with a letter of transmittal should be sent to: State of New Jersey-Division of Taxation, Revenue Processing Center, Gross Income Tax, PO Box 248, Trenton, NJ 08646-0248.

The Division of Taxation's requirements for filing Form 1099 information returns are, in order of preference:

1. A copy of the magnetic media records for the full calendar year provided to the IRS (with IRS specifications) instead of actual 1099 forms, edited to delete all listings of recipients of less than \$1,000; or
2. A copy of the magnetic media provided to the IRS (as above) without deleting recipients of less than \$1,000; or
3. Copies (either an additional carbon or photocopy) of all 1099 forms for the full calendar year submitted to the IRS for amounts of \$1,000 or more; or
4. Copies of all 1099 forms for the full calendar year submitted to the IRS without deleting recipients of less than \$1,000.

In addition to the above, beginning with real estate transactions occurring after December 31, 1995, each person required to report the proceeds from real estate transactions to the IRS on Federal Form 1099-S (or any other form which the Internal Revenue Code may designate) pursuant to Section 6045(e) of the Federal Internal Revenue Code is required to submit all such reports to the Division of Taxation when the real estate being sold or exchanged is partially or entirely located in New Jersey. Copies of Federal Form 1099-S must be sent to: New Jersey Division of Taxation, PO Box 445, Trenton, NJ 08695-0445.

Please Note: Any payer who is required to file Form 1099-S information returns and is also required to submit other information returns must send the information returns attributable to real estate transactions to PO Box 445, and must send all other information returns to State of New Jersey, Division of Taxation, Revenue Processing Center, PO Box 248, Trenton, NJ 08646-0248.

Generally, the Division of Taxation's magnetic media reporting specifications conform with those established by the Social Security Administration. Specific instructions for filing Form 1099 using magnetic media can be obtained by calling the IRS Computer Center at 1-866-455-7438 or your local IRS office, or by writing to: IRS Martinsburg Computing Center, 230 Murall Drive, Kearneysville, WV 25430.

The Division of Taxation participates in a joint program with the IRS that permits payors filing 1099 forms on magnetic media who register in the combined Federal/State Reporting Program to file with the Federal government only. The IRS will then provide New Jersey with a copy of this information. There are no special notices or requirements in New Jersey for filers to participate in this program. Contact the IRS for additional information.

24. RECORDS TO BE KEPT

Every employer, payor of pension and annuity income or payor of gambling winnings subject to the tax is required to keep all pertinent records available for inspection by authorized representatives of the New Jersey Division of Taxation.

Such records must include the amounts and dates of all wage payments subject to New Jersey Gross Income Tax; the names, addresses and occupations of employees receiving such payments; the periods of their employment; their social security numbers; their withholding exemption certificates; the employer's New Jersey Taxpayer Identification Number; record of weekly, monthly, quarterly remittances and/or returns and annual returns filed; and the dates and amounts of payments made. In addition, an employer must maintain records of days worked inside and outside of New Jersey for all nonresident employees.

**State of New Jersey - Division of Taxation
Employee's Withholding Allowance Certificate**

1. SS#			2. Filing Status: (Check only one box) 1. <input type="checkbox"/> Single 2. <input type="checkbox"/> Married/Civil Union Couple Joint 3. <input type="checkbox"/> Married/Civil Union Couple Separate 4. <input type="checkbox"/> Head of Household 5. <input type="checkbox"/> Qualifying Widow(er)/Surviving Civil Union Partner		
Name					
Address					
City	State	Zip			
3. If you have chosen to use the chart from instruction A, enter the appropriate letter here			3.		
4. Total number of allowances you are claiming (see instructions)			4.		
5. Additional amount you want deducted from each pay			5. \$		
6. I claim exemption from withholding of NJ Gross Income Tax and I certify that I have met the conditions in the instructions of the NJ-W4. If you have met the conditions, enter "EXEMPT" here . . .			6.		
7. Under penalties of perjury, I certify that I am entitled to the number of withholding allowances claimed on this certificate or entitled to claim exempt status.					
Employee's Signature			Date		
Employer's Name and Address			Employer Identification Number		

BASIC INSTRUCTIONS

- Line 1 Enter your name, address, and social security number in the spaces provided.
 Line 2 Check the box that indicates your filing status. If you checked Box 1 (Single) or Box 3 (Married/Civil Union Couple Separate) tax will be withheld at Rate A.
Note If you have checked Box 2 (Married/Civil Union Couple Joint), Box 4 (Head of Household), or Box 5 (Qualifying Widow(er)/Surviving Civil Union Partner) and either your spouse/civil union partner works or you have more than one job or more than one source of income and the combined total of all wages is greater than \$50,000, see instruction A below. If you do not complete Line 3, tax will be withheld at Rate B.
 Line 3 If you have chosen to use the wage chart below, enter the appropriate letter.
 Line 4 Enter the number of allowances you are claiming. Entering a number on this line will decrease the amount of withholding and could result in an underpayment on your return.
 Line 5 Enter the amount of additional withholdings you want deducted from each pay.
 Line 6 Enter "EXEMPT" to indicate that you are exempt from New Jersey Gross Income Tax Withholdings, if you meet one of the following conditions:
- Your filing status is **SINGLE or MARRIED/CIVIL UNION COUPLE SEPARATE** and your wages plus your taxable nonwage income will be \$10,000 or less for the current year.
 - Your filing status is **MARRIED/CIVIL UNION COUPLE JOINT** and your wages combined with your spouse's wages plus your taxable nonwage income will be \$20,000 or less for the current year.
 - Your filing status is **HEAD OF HOUSEHOLD or QUALIFYING WIDOW(ER)/SURVIVING CIVIL UNION PARTNER** and your wages plus your taxable nonwage income will be \$20,000 or less for the current year.
- Your exemption is good for **ONE** year only. You must complete and submit a form each year certifying you have no New Jersey Gross Income Tax liability and claim exemption from withholding. If you have questions about eligibility, filing status, withholding rates, etc. when completing this form, call the Division of Taxation's Customer Service Center at 609-984-1721.

Instruction A - Wage Chart

This chart is designed to increase withholdings on your wages if these wages will be taxed at a higher rate due to inclusion of other wages or income on your NJ-1040 return. **It is not intended to provide withholding for other income or wages.** If you need additional withholdings for other income or wages use Line 5 on the NJ-W4. This wage chart applies to taxpayers who are married/civil union couple filing jointly, heads of households, or qualifying widow(ers)/surviving civil union partner. **Single individuals or married/civil union couple filing separate returns do not need to use this chart.** If you have indicated filing status 2, 4, or 5 on the above NJ-W4 and your taxable income is greater than \$50,000, you should strongly consider using the wage chart.

HOW TO USE THE CHART

- 1) Find the amount of your wages in the left-hand column.
- 2) Find the amount of the total for all other wages (including your spouse's wages) along the top row.
- 3) Follow along the row that contains your wages until you come to the column that contains the other wages.
- 4) This meeting point indicates the Withholding Table that best reflects your income situation.
- 5) If you have chosen this method, enter the letter of the withholding rate table on line 3 of the NJ-W4.

NOTE: If your income substantially increases (or decreases) in the future, you should submit a revised NJ-W4 to your employer.

THIS FORM MAY BE REPRODUCED

WAGE CHART

		Total of All Other Wages	0 10,000	10,001 20,000	20,001 30,000	30,001 40,000	40,001 50,000	50,001 60,000	60,001 70,000	70,001 80,000	80,001 90,000	OVER 90,000
Y O U R W A G E S	0 10,000		B	B	B	B	B	B	B	B	B	B
	10,001 20,000		B	B	B	B	C	C	C	C	C	C
	20,001 30,000		B	B	B	A	A	D	D	D	D	D
	30,001 40,000		B	B	A	A	A	A	E	E	E	E
	40,001 50,000		B	C	A	A	A	A	E	E	E	E
	50,001 60,000		B	C	D	A	A	A	E	E	E	E
	60,001 70,000		B	C	D	A	A	E	E	E	E	E
	70,001 80,000		B	C	D	E	E	E	E	E	E	E
	80,001 90,000		B	C	D	E	E	E	E	E	E	E
	over 90,000		B	C	D	E	E	E	E	E	E	E

NJ-W-4P
(8-96)

**CERTIFICATE OF VOLUNTARY WITHHOLDING
OF NEW JERSEY GROSS INCOME TAX
FROM PENSION AND ANNUITY PAYMENTS**

Type or Print Your Full Name

Your Social Security No.

Home Address (No. and Street or Rural Route)

____ / ____ / ____

City or Town

State

Zip Code

Claim or ID Number of Your Pension
or Annuity Contract

I elect to have New Jersey Gross Income Tax withheld from each pension or annuity payment in the amount of
\$ _____ .00 (Minimum of \$10.00 per payment or an even dollar amount greater than the minimum.)

Your Signature _____ Date _____

FORM MAY BE REPRODUCED

2008 W-2 SAMPLE: PREFERRED

How to Report Worker Contributions for Unemployment Insurance, Workforce Development Partnership Fund/Supplemental Workforce Fund, State Disability Insurance, Employee Withholding for New Jersey Gross Income Tax

		a. Employee's social security number			
b Employer identification number (EIN)		1 Wages, tips, other compensation		2 Federal income tax withheld	
c Employer's name, address, and ZIP code		3 Social security wages		4 Social security tax withheld	
		5 Medicare wages and tips		6 Medicare tax withheld	
		7 Social security tips		8 Allocated tips	
d Control number		9 Advance EIC payment		10 Dependent care benefits	
e Employee's first name and initial		Last name		Suff.	
		11 Nonqualified plans		12a See instructions for box 12	
		13. Statutory Retirement Third-party employee plan sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		12b C O D E	
		14. Other		12c C O D E	
		UI/WF/SWF -117.72 DI -138.50 DI P.P. # XXXXXXXXXXXX		12b C O D E	
f. Employee's address and ZIP code					
15 State	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax
NJ	234-567-890/000	32,250.00	525.00		
				20 Locality name	

W-2 Wage and Tax Statement

2008

New Jersey Taxpayer Identification Number

See Form NJ-927/NJ-927-W, Employer's Quarterly Report, or Form NJ-927-H, Domestic Employer's Annual Report, for the number assigned.

Worker Contributions

- Unemployment Insurance, Workforce Development Partnership Fund/Supplemental Workforce Fund.
- State Disability Insurance

Please Note:

The Taxable Wage Base for UI/WF/SWF and DI purposes for 2008 is \$27,700.00.

Department of Treasury - Internal Revenue Service

Disability Insurance Private Plan Number (DI P. P. Number)

To be entered only by employers who have an approved contributory Private Disability Plan. Phone 609-292-2720 if you are unsure of your Private Plan Number.

2008 W-2 SAMPLE: ACCEPTABLE ALTERNATE

How to Report Worker Contributions for Unemployment Insurance, Workforce Development Partnership Fund/Supplemental Workforce Fund, State Disability Insurance, Employee Withholding for New Jersey Gross Income Tax

		a. Employee's social security number				
b Employer identification number (EIN)		1 Wages, tips, other compensation		2 Federal income tax withheld		
c Employer's name, address, and ZIP code		3 Social security wages		4 Social security tax withheld		
		5 Medicare wages and tips		6 Medicare tax withheld		
		7 Social security tips		8 Allocated tips		
d Control number		9 Advance EIC payment		10 Dependent care benefits		
e Employee's first name and initial Last name Suff.		11 Nonqualified plans		12a See instructions for box 12		
		13. Statutory Retirement Third-party employee plan sick pay <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		12b C O D E		
		14. Other		12c C O D E		
f. Employee's address and ZIP code				12b C O D E		
15 State NJ	Employer's state ID number 234-567-890/000	16 State wages, tips, etc. 32,250.00	17 State income tax 525.00	18 Local wages, tips, etc.	19 Local income tax 117.72 138.50	20 Locality name UI/WF/SWF DI
→ DI P.P. # XXXXXXXXXXXX						

Department of Treasury - Internal Revenue Service

W-2 Wage and Tax Statement

2008

→ **Disability Insurance Private Plan Number (DI P. P. Number)**

To be entered only by employers who have an approved contributory Private Disability Plan. Phone 609-292-2720 if you are unsure of your Private Plan Number.

→ **New Jersey Taxpayer Identification Number**

See Form NJ-927/NJ-927-W, Employer's Quarterly Report, or Form NJ-927-H, Domestic Employer's Annual Report, for the number assigned.

Worker Contributions

- Unemployment Insurance, Workforce Development Partnership Fund/Supplemental Workforce Fund.
- State Disability Insurance

Please Note:

The Taxable Wage Base for UI/WF/SWF and DI purposes for 2008 is \$27,700.00.



State of New Jersey

DEPARTMENT OF THE TREASURY
 DIVISION OF TAXATION
 PO Box 269
 TRENTON NJ 08695-0269

Filing Instructions For Annual Reconciliation Of Gross Income Tax Withheld From Unregistered Unincorporated Contractors (Schedule NJ-W-3-UNC)

The Annual Reconciliation of Gross Income Tax Withheld From Unregistered Unincorporated Contractors (Schedule NJ-W-3-UNC) is required to account for payments made to and tax withheld from Unregistered Unincorporated Contractors made during the year pursuant to N.J.S.A. 54A:7-1.2.

Non New Jersey Employers

If you are not a New Jersey employer, Schedule NJ-W-3-UNC is used to report all withholding payments made during the year with Form NJ-550, Monthly Return of Withholding from Unregistered Unincorporated Contractors.

New Jersey Employers

If you are a New Jersey employer, Schedule NJ-W-3-UNC is only used to report withholding payments that were made on behalf of Unregistered Unincorporated Contractors with Form NJ-500 and/or Form NJ927/927W during the year. Attach schedule NJ-W-3-UNC to your NJ-W-3, Annual Reconciliation of Gross Income Tax Withheld.

Attach to Schedule NJ-W-3-UNC, copies of the corresponding recipient income statements (Form 1099-MISC) reporting payments made to Unregistered Unincorporated Contractors, reporting the New Jersey Gross Income Tax Withheld in Box 16, State Tax Withheld. A totaled list of Amounts Withheld must be included with the Schedule NJ-W-3-UNC and the associated 1099-MISC. These must be mailed together no later than February 28 or within 30 days after the close of the month in which your business has ceased.

Mail the completed reconciliation package to: State of New Jersey – GIT, PO Box 629, Trenton, NJ 08646-0629.

FOR TAXABLE YEAR	FOR DIVISION USE ONLY	STATE OF NEW JERSEY - DIVISION OF TAXATION ANNUAL RECONCILIATION OF GROSS INCOME TAX WITHHELD FROM UNREGISTERED UNINCORPORATED CONTRACTORS	FILE NO LATER THAN FEBRUARY 28
<input style="width: 40px; height: 20px;" type="text"/> - <input style="width: 40px; height: 20px;" type="text"/> - <input style="width: 40px; height: 20px;" type="text"/> / <input style="width: 40px; height: 20px;" type="text"/>			
New Jersey Taxpayer Identification Number			
NAME		1 NUMBER OF UNREGISTERED UNINCORPORATED CONTRACTORS REPORTED <input style="width: 60px; height: 20px;" type="text"/>	
TRADE NAME (IF APPLICABLE)		2 TOTAL GROSS COMPENSATION <input style="width: 100px; height: 20px;" type="text"/> . <input style="width: 20px; height: 20px;" type="text"/>	
ADDRESS		3 TOTAL AMOUNT WITHHELD <input style="width: 100px; height: 20px;" type="text"/> . <input style="width: 20px; height: 20px;" type="text"/>	
CITY, STATE, ZIP CODE		Mail forms to: State of New Jersey - GIT Division of Taxation Revenue Processing Center PO Box 629 Trenton, NJ 08646-0629	

Both Sides of Return Must Be Completed

Line Item Instructions For Annual Reconciliation Of Gross Income Tax Withheld From Unregistered Unincorporated Contractors (Schedule NJ-W-3-UNC)

Front:

Enter your: NJ Taxpayer Identification Number, Taxpayer Name, Trade Name (if applicable), Mailing Name, Mailing Street Address, mailing City, State, and Zip Code.

Complete Lines 1, 2, 3 as follows

Line 1: Enter the number of Unregistered Unincorporated Contractors to whom payments were made during the calendar year.

Line 2: Enter the total gross amount paid to Unregistered Unincorporated Contractors during the calendar year.

Line 3: Enter the total amount of withholding made during the calendar year for Unregistered Unincorporated Contractors.

**Annual Reconciliation of Gross Income Tax Withheld From Unregistered Unincorporated Contractors
Attach copies of form 1099-MISC and a totaled listing of amounts withheld to SCHEDULE NJ-W-3-UNC.**

I hereby certify that this return, to the best of my knowledge and belief, is a true and correct return.

Taxpayer Signature Date

Preparer Signature Date

Preparer/Firm Identification Number

Firm Name (or yours if self-employed)

Address

TAXPAYERS' BILL OF RIGHTS

Division's Responsibilities

- Division must respond to taxpayers' questions within a reasonable time period.
- Notices of taxes and penalties due must clearly identify the purpose of the notice and must contain information about appeal procedures.
- Tax forms, instructions and explanations must be written in simple, nontechnical language.
- Penalties and interest may be waived if a taxpayer relies on erroneous written advice from the Division.
- Taxpayer or the Division may record interviews relating to the collection of taxes.
- Registered or certified mail will be used to send all notices of assessment related to final audits and all "Notice and Demand for Payment of Tax" letters.

Postmark Date

- All tax returns postmarked on or before the due date of the return are considered filed on time.

Standardized Time for Refunds & Assessments

- There is a three-year statute of limitations for both refunds and assessments made under the Gross Income Tax Act.

Penalty, Interest and Fees

- Failure to file a return by the due date and/or failure to remit any taxes due by the due date will result in penalty and interest charges. Anyone required to withhold gross income tax does so as a trustee on behalf of the State of New Jersey. Thus business owners, partners, corporate officers, and some employees of such businesses may be held personally liable for failure to collect the tax when required or for failure to file returns and remit any taxes due on a timely basis.
- Late Filing Penalties - 5% per month (or fraction thereof) of the balance of tax liability due at original return due date not to exceed 25% of such tax liability. A penalty of \$100 per month (or fraction thereof) for each month return is delinquent may also be imposed.

- Late Payment Penalty - 5% of the balance of the taxes due and paid late.
- Interest - The annual interest rate is 3% above the average predominant prime rate. Interest is imposed each month (or fraction thereof) on the unpaid balance of the tax from the original due date to the date of payment. At the end of each calendar year any tax, penalties, and interest remaining due will become part of the balance on which interest is charged.

Note: The average predominant prime rate is the rate as determined by the Board of Governors of the Federal Reserve System, quoted by commercial banks to large businesses on December 1st of the calendar year immediately preceding the calendar year in which the payment was due or as determined by the Director in accordance with N.J.S.A. 54:48-2.

- Collection Fees - In addition to the above penalties and interest, if your tax bill is sent to a collection agency, a referral cost recovery fee of 10% of the tax due will be added to your liability. If a certificate of debt is issued for your outstanding liability, a fee for the cost of collection may also be imposed.

Appeals

- Time to appeal to the Tax Court has been extended from 30 to 90 days.

Interest on Refunds

- Interest is paid at the prime rate on refunds for all taxes when the Division takes more than six months to send you a refund (effective for returns due on or after January 1, 1994).
- You may request that your overpayment of this year's tax be credited towards next year's tax liability, however, interest will not be paid on overpayments that are credited forward.

Information on the Taxpayers' Bill of Rights is available through the Division of Taxation. Call 1-800-323-4400 (Touch-tone phones within NJ, NY, PA, DE, and MD) or 609-826-4400 (Touch-tone phones anywhere) to order our publication, ANJ-1, *Taxpayers' Bill of Rights*. Many State tax forms and publications are available, by fax and on our website. Call NJ TaxFax at 609-826-4500 from your fax machine's phone or access the Division's home page at: <http://www.state.nj.us/treasury/taxation/>