

Nonresident Seller's Tax Declaration Instructions

A nonresident individual, estate, or trust that is selling or transferring property in New Jersey and has not made the required gross income tax estimated payment prior to closing, or is not required to do so because they meet any of the recognized exemptions, must complete this form.

- Name(s): Enter the name of the seller. If there is more than one seller, each must complete a separate form unless they are a married/civil union couple that files their Income Tax returns jointly.
- Address: Enter the seller's primary residence or place of business. Do not use the address of the property being sold. The seller is considered a nonresident unless a new residence (permanent place of abode, domicile) has been established in New Jersey and the new residence is listed here. Part-year residents are considered nonresidents.
- Property Information: Enter the information listed on the deed of the property being sold. Enter the seller's percentage of ownership, the total consideration for the transaction, the seller's share of that consideration, and the closing date.
- Consideration: "Consideration" means, in the case of any deed, the actual amount of money and the monetary value of any other thing of value constituting the entire compensation paid or to be paid for the transfer of title to the lands, tenements or other realty, including the remaining amount of any prior mortgage to which the transfer is subject or that is assumed and agreed to be paid by the grantee and any other lien or encumbrance not paid, satisfied, or removed in connection with the transfer of title. If there is more than one owner, indicate the seller's portion of the total consideration received. If the total consideration for the property is \$1,000 or less, complete the Seller's Residency Certification/Exemption Form GIT/REP-3 and check box 6 under Seller's Assurances.
- Signature: The seller must sign and date the Seller's Declaration. If the seller has appointed a representative who is signing the Seller's Declaration on their behalf, either the Power of Attorney executed by the seller must have been previously recorded or recorded with the deed to which this form is attached, or a letter signed by the seller granting authority to the representative to sign this form must be attached.

Declaration of Estimated Tax – Voucher

The seller must complete the estimated tax voucher, including their Social Security number or federal tax identification number.

The amount of the estimated tax payment is determined by multiplying the gain from the sale of the property by the highest Gross Income Tax rate (10.75%). In the case of estates and trusts, the gain is determined without taking into consideration any distributions made to the beneficiaries during the taxable year. In no case can the estimated payment be less than 2% of the consideration received for the sale. Payment must be in the form of check or money order made payable to the State of New Jersey - Division of Taxation.

The seller must give the completed GIT/REP-1 to the settlement agent (usually the buyer's attorney or the title company) at closing, along with the required estimated Income Tax payment. The settlement agent must file the original GIT/REP-1, payment, and deed with the appropriate county clerk for recording. If the form is not completed in its entirety, or if the settlement agent does not submit the original form and payment with the deed, the county clerk will not record the deed.

The county clerk will attach the top portion of Form GIT/REP-1 to the deed when it is recorded and will forward the bottom portion (NJ-1040-ES) and the estimated tax payment to:

State of New Jersey
Revenue Processing Center
PO Box 222
Trenton, New Jersey 08646-0222.

Additional information regarding Gross Income Tax estimated payment requirements for nonresidents on the sale or transfer of real estate can be found on the Division of Taxation's website at www.njtaxation.org.
