



Part-Year Residents

This publication is current for the 2017 tax year and has not been updated to include changes for 2018

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Important

- Qualified taxpayers can exclude more pension and other income on the New Jersey return. The increased exclusion amounts are being phased in over a four-year period. For Tax Year 2017, the exclusion amounts are up to \$40,000 (married/CU couple, filing joint return), \$30,000 (single, head of household, or qualifying widow(er)/surviving CU partner), or \$20,000 (married/CU partner, filing separate return).
- Veterans who were honorably discharged or released under honorable circumstances from active duty in the Armed Forces of the United States are eligible for an additional \$3,000 exemption.
- Any reference in this bulletin to a spouse also refers to a spouse who entered into a valid same-sex marriage in another state or foreign nation and a partner in a [civil union \(CU\)](#) recognized under New Jersey law.

This document is designed to provide guidance to taxpayers and is accurate as of the date issued. Subsequent changes in tax law or its interpretation may affect the accuracy of this publication.

Introduction

Part-year residents are subject to tax on income received from all sources (both inside and outside New Jersey) during the portion of the year that they were residents of the state. Likewise, part-year nonresidents are subject to tax on any income received from New Jersey sources while they were nonresidents. This bulletin explains:

- Who is a part-year resident/part-year nonresident for New Jersey Income Tax purposes, as well as who is a full-year resident or nonresident;
- What your New Jersey Income Tax responsibilities are as a part-year resident/part-year nonresident;
- How to complete a part-year New Jersey Income Tax return; and
- When a part-year resident must file both resident and nonresident Income Tax returns with New Jersey in the same tax year.

NOTE: This bulletin covers filing requirements for individual residents and nonresidents only. The examples illustrate how to prepare part-year returns for Tax Year 2017. The forms and amounts (tax rates, income exclusions, etc.) shown in the text and examples may not reflect current information for other tax years.

For information on estates and trusts, see Tax Topic Bulletin [GIT-12](#), *Estates and Trusts*, and the [instructions for the New Jersey Gross Income Tax Fiduciary Return](#) (Form NJ-1041).

Definitions

For New Jersey Income Tax purposes, your residency status depends on where you were domiciled and where you maintained a permanent home during the tax year. In general, when you change your domicile to (or from) this state during the year, you are a resident of New Jersey for part of the year (part-year resident) and a nonresident of New Jersey for part of the year (part-year nonresident). Your move is generally considered a change of residency status (resident to nonresident or vice versa) if, at the time you moved, you intended to permanently leave one home and establish a new, fixed, and permanent home somewhere else.

Full-Year Resident

You were a full-year New Jersey resident if:

- New Jersey was your domicile for the entire year, and you did not satisfy all three conditions for nonresident status (below); or
- New Jersey was not your domicile, but you maintained a permanent home in New Jersey for the entire year and you spent more than 183 days in New Jersey. (Members of the U.S. Armed Forces stationed in New Jersey and their spouses who are not domiciled in New Jersey are not residents under this definition.)

Full-Year Nonresident

You were a full-year New Jersey nonresident if:

- New Jersey was not your domicile, and you spent 183 days or less here; or
- New Jersey was not your domicile, you spent more than 183 days here, but you did not maintain a permanent home here; or

- New Jersey was your domicile and you met all three of the following conditions for the entire year:
 1. You did not maintain a permanent home in New Jersey; and
 2. You did maintain a permanent home outside New Jersey; and
 3. You did not spend more than 30 days in New Jersey.

Part-Year Resident/Part-Year Nonresident

If, as a result of a change of your domicile, you met the definition of New Jersey resident or nonresident for only part of the year, you are a resident for part of the year (*part-year resident*) and a nonresident for the remainder of that year (*part-year nonresident*).

Domicile is the place you consider your permanent home—the place where you intend to return after a period of absence (e.g., vacation, business assignment, educational leave). You have only one domicile, although you may have more than one place to live. Your domicile does not change until you move to a new location with the intent to establish your permanent home there and to abandon your New Jersey domicile. Moving to a new location, even for a long time, does not change your domicile if you intend to remain only for a limited time.

The Division will consider many factors when determining if New Jersey is your domicile, including your intent, where you register to vote, your driver's license and vehicle registration, where you have family ties, whether your federal tax return lists New Jersey as a home address, location of bank accounts, whether you claimed a Homestead Benefit, etc. *You can have only one domicile at a time.* The burden of proof is on the person asserting a change of domicile to show that the necessary intention existed to abandon his or her domicile in one location and to establish a fixed and permanent home in another.

A permanent home is a residence (a building or structure where a person can live) that you maintain permanently as your household, whether you own it or not. It usually includes a residence your spouse owns or leases.

Your home, whether inside or outside New Jersey, is not *permanent* if you maintain it only during a temporary or limited period of time, no matter how long, for the accomplishment of a particular purpose (e.g., temporary job assignment). Likewise, a home used only for vacations is not a permanent home.

If New Jersey is your domicile, you are considered a resident for New Jersey tax purposes *unless* you meet all three conditions for nonresident status. (See [Full-Year Nonresident](#).) If New Jersey is not your domicile, you are only considered a New Jersey resident if you maintain a *permanent* home and spend more than 183 days here.

Filing Requirements

Your filing status and gross income determine whether you have to file a New Jersey Income Tax return. Age is not a factor in determining whether you must file. Even minors (including students) and senior citizens must file if they meet the income filing requirements.

To find out whether or not you are required to file a New Jersey Income Tax return, use the “Who Must File a New Jersey Income Tax Return” chart in either the resident ([Form NJ-1040](#)) or nonresident ([Form NJ-1040NR](#)) return booklet or see [Who Must File](#) on our website.

Time Period Covered by Return (Full-Year or Part-Year)

The period covered by your return will be 12 months (full-year return) or less than 12 months (part-year return). Most taxpayers use a calendar year (January 1–December 31) to record their income. Fiscal year filers use a different period (e.g., July–June). This bulletin assumes that you are a calendar year filer.

New Jersey has two personal Income Tax returns for individuals: Form NJ-1040 for residents and Form NJ-1040NR for nonresidents. New Jersey does not have separate tax returns for part-year residents or part-year nonresidents. You must use either Form NJ-1040 or Form NJ-1040NR (or both), depending on your residency status during the year, and show the income you received during the period of time covered by the return. Part-year residents use the same form as full-year residents ([Form NJ-1040](#)) and indicate the period of their New Jersey residency above Line 1. The return should show only the income received during that period. Likewise, part-year nonresidents use the same form as full-year nonresidents ([Form NJ-1040NR](#)) and indicate above Line 1 the period of time they were New Jersey residents.

If you file a part-year nonresident return, you *also* will file a part-year resident return, unless you had no income during the part of the year you were a resident. You must allocate your income between the resident and nonresident returns as appropriate. That is, report the income you received during the time you were a resident on your part-year resident return, and report the income you received during the part of the year you were a nonresident on your part-year nonresident return.

Examples

1. Emilia Villanueva was a New Jersey resident from January 1 through December 31. She files a full-year resident return showing the income she received during the 12-month period January–December.
2. Kosuke and Yui Watanabe were New Jersey residents from May 1 to December 31. They must file a part-year resident return and report the income they received during their period of residency (May–December).

NOTE: If they had income from New Jersey sources between January 1 and April 30, the period when their residency status was “nonresident,” they must file a New Jersey part-year nonresident return too. (See [Part-Year Nonresidents](#).)

3. Evette Henderson was a full-year resident of New York who worked in New Jersey from July through November. She files a full-year nonresident return because she was a nonresident for the entire year. Her New Jersey nonresident return will show the income she received during the period she was a nonresident i.e., January–December.

4. Neil Crenshaw worked in New Jersey for the entire year. For three months of the year, he was a New Jersey resident and for the remaining nine months, a Delaware resident. Neil must file two New Jersey Income Tax returns: (1) a part-year resident return showing the income he received during the three months he was a New Jersey resident and (2) a part-year nonresident return showing his income during the period he was a nonresident of New Jersey.

Residency Status and Income

Your residency status and income determine whether you are required to file a New Jersey Income Tax return.

Filing Thresholds

Filing Status	Gross Income From All Sources for the Entire Year
Single Married/CU Partner Filing Separate Return	\$10,000
Married/CU Couple Filing Joint Return Head of Household Qualifying Widow(er)/Surviving CU Partner	\$20,000

Full-Year Residents—

- *You must file a full-year New Jersey resident Income Tax return* if you were a New Jersey resident for the entire year, and your gross income for the entire year was more than the filing threshold amount (see chart above).
- *You are not required to file a New Jersey Income Tax return* if you were a New Jersey resident for the entire year, and your gross income for the entire year was equal to or less than the filing threshold amount.

NOTE: If you are a full-year resident and your income is equal to or less than the amount required to file a tax return, you must file a New Jersey resident return to claim a refund of Income Tax withheld or estimated payments made. You also must file a return to receive a New Jersey Earned Income Tax Credit even if you have no tax liability with New Jersey.

Part-Year Residents—

- *You must file a part-year New Jersey resident Income Tax return* if you were a New Jersey resident for part of the year, and your gross income from all sources for the entire year was more than the filing threshold amount (see [chart](#)), and you received any income (whether from New Jersey sources or not) during the part of the year you were a New Jersey resident.

You are subject to tax on the income shown on your part-year resident return if your gross income for the *entire* year was more than your filing threshold amount, even if the income you reported on your part-year return for the period of New Jersey residency was equal to or less than the filing threshold amount.

No New Jersey Income Tax is due if the income you received during the entire year was equal to or less than the filing threshold amount. If your gross income for the entire year was not more than your filing threshold amount, enclose a copy of your federal income tax return when you file your part-year New Jersey return. If you did not file a federal return, enclose a statement with your New Jersey return certifying that your income for the entire year was equal to or less than the filing threshold amount.

NOTE: When you are a part-year New Jersey resident, you are a nonresident for the remainder of that year. See the filing requirements for [part-year nonresidents](#).

Examples

1. During 2017, Jacinda Owens, single, was a resident of California for 10 months and a New Jersey resident for two months. Her income as a California resident totaled \$23,000, and the income she received during the two months she was a New Jersey resident was \$2,900. Jacinda is subject to tax on the \$2,900 she received as a part-year New Jersey resident because her income for the *entire* year was more than the \$10,000 filing threshold amount.
2. Marianne Walters, single, was a New Jersey resident from January through September 2017, when she moved to Florida and became a resident there. Her income as a New Jersey resident totaled \$5,800, and her income while a Florida resident was \$600. Marianne is not required to file a New Jersey return, and she owes no New Jersey Income Tax on the \$5,800 she received as a part-year New Jersey resident because her income for the *entire* year was not more than the \$10,000 filing threshold amount. However, Marianne must file a part-year resident return to claim any refund of New Jersey Income Tax that was either withheld or remitted through estimated payments. When she files her 2017 New Jersey return, Marianne must enclose a copy of her federal income tax return or, if no federal return was filed, a statement certifying that her income for the year was not more than \$10,000.

Full-Year Nonresidents—

- *You must file a full-year New Jersey nonresident Income Tax return* if you were not a New Jersey resident for any part of the year, and your gross income for the entire year from all sources (both inside and outside New Jersey) was more than the filing threshold amount (see [chart](#)), and you received any amount of income from New Jersey sources during the year.
- *You are not required to file a return* if you were a nonresident for the entire year, and your gross income from all sources (both inside and outside New Jersey) was equal to or less than the filing threshold amount.

NOTE: If you are a full-year nonresident and your income is equal to or less than the amount at which you would be required to file a tax return, you must file Form NJ-1040NR to claim a refund of Income Tax withheld or estimated payments made.

Part-Year Nonresidents—

If you were a New Jersey resident for part of the year, you were a nonresident for the remainder of that year. File part-year resident and/or nonresident returns as follows:

- *You must file both a part-year resident return and a part-year nonresident return* if your gross income from all sources for the entire year was more than the filing threshold amount (see [chart](#)), and you received income (whether from New Jersey sources or not) during the part of the year you were a resident, and you received any amount of income from New Jersey sources during the part of the year you were a nonresident.

File only a part-year resident return if you received income (whether from New Jersey sources or not) during the part of the year you were a resident, but you had no income from New Jersey sources during the part of the year you were a nonresident. (See [Part-Year Residents](#).)

- *You must file only a part-year nonresident Income Tax return* if your gross income from all sources for the entire year was more than the filing threshold amount (see [chart](#)), and you had income from New Jersey sources during the part of the year you were a nonresident, and you had no income during the part of the year you were a resident.

No New Jersey Income Tax is due if the income you received from all sources during the entire year was equal to or less than the filing threshold amount. You must file a return to claim a refund of Income Tax withheld or estimated payments made, or you are eligible for a New Jersey Earned Income Tax Credit or other credit. You must enclose a copy of your federal income tax return when you file your part-year New Jersey return. If you did not file a federal return, enclose a statement with your New Jersey return certifying that your income for the entire year was equal to or less than your filing threshold amount.

- *You do not have to file either a resident or a nonresident return* if you received no income during the part of the year you were a resident, and you had no income from New Jersey sources during the part of the year you were a nonresident.

Filing Status Considerations

Spouse With Different Residency Status

In general, you must use the same filing status on your New Jersey return as you do for federal income tax purposes. If you do not file a federal return but are filing a New Jersey return, use the same filing status that you would have used if you had filed a federal return, unless you are a partner in a civil union. For more information, see Tax Topic Bulletin [GIT-4, Filing Status](#).

If a married couple files a joint federal income tax return, they also must file a joint New Jersey Income Tax return. If spouses file separate federal returns, separate State returns also must be filed. However, if you are a civil union couple, your filing status for New Jersey may not match your federal filing status for the year.

- *One spouse New Jersey resident, other spouse nonresident for entire year.* If during the entire tax year one spouse was a resident and the other a nonresident, separate New Jersey returns can be filed, even if the couple files a joint federal return. The resident should file a resident return and the nonresident files a nonresident return. They should calculate income and exemptions as if federal married, filing separate returns had been filed. The spouses have the option of filing a joint return as residents, in which case their joint income (from both inside and outside New Jersey) would be taxed as if both were residents.
- *Married/civil union couples, both nonresidents; only one has income from New Jersey sources.* If both spouses were nonresidents of New Jersey during the entire tax year and only one had income from New Jersey sources, the one who had income from New Jersey sources can file a separate New Jersey return, even if a joint federal return was filed. The one with income from New Jersey sources can calculate income and exemptions as if a federal married, filing separate return had been filed. The couple has the option of filing a joint return, in which case their joint income must be shown on the nonresident return. For more information on completing the nonresident return, see the [instructions for Form NJ-1040NR](#).

Remember: You must file a nonresident return if you received any income from New Jersey sources as a nonresident, and your income from all sources (both inside and outside New Jersey) for the *entire* year was more than the filing threshold amount. See [chart](#).

How Residents and Nonresidents Are Taxed

Residents. New Jersey residents are subject to tax on their income from all sources, whether the income is from inside or outside New Jersey. As a part-year New Jersey resident, you must report on your resident return all income you received during the time you were a New Jersey resident, whether in the form of money, goods, property, benefits, or services, unless specifically excluded by law. Married/civil union couples filing jointly must report the income of both spouses.

The following are some examples of income you must report if earned or received *while you were a resident of New Jersey*: wages, fees, or commissions earned in New Jersey or elsewhere (including a foreign country); interest received on a bank account whether located inside or outside New Jersey; gain from the sale of property both inside and outside New Jersey; net gambling winnings, including New Jersey Lottery winnings from prize amounts over \$10,000; net profits from a business, regardless of where the business is located.

Remember: When completing your part-year resident return, report only the income you received during the time period covered by your resident return.

Part-year residents must prorate all exemptions, deductions, and credits, as well as the pension and other retirement income exclusions, to reflect the period covered by their return. For example, a full-year New Jersey resident is entitled to a \$1,000 personal exemption; whereas a resident for six months is entitled to a personal exemption of only \$500. (See [Completing a Part-Year Resident Return](#).)

For more information on completing the resident return, see [instructions for Form NJ-1040](#).

Nonresidents. For nonresidents, New Jersey Income Tax liability is based on the percentage of their total income that comes from New Jersey. The income section of the New Jersey nonresident return has two columns—Column A, income from everywhere, and Column B, income from New Jersey sources. In the first column, report your income from all sources (both inside and outside New Jersey) as if you were a resident. In the second column, list only income that was derived from New Jersey sources. Pennsylvania residents, see [page 20](#).

In accordance with federal legislation (Service members Civil Relief Act, P.L. No. 108-189) nonresident servicepersons are *not* required to include their military pay in either their “income from everywhere” (Column A) or “income from New Jersey Sources” (Column B) on the New Jersey nonresident return.

In addition, under the federal Military Spouses Residency Relief Act (P.L. 111-97) a military service member’s nonmilitary spouse who meets certain requirements is allowed to keep a tax domicile while moving from state to state. Under the Act, a qualified nonmilitary spouse is considered a nonresident and is *not* subject to New Jersey Income Tax on earned income from services performed in New Jersey. Nonresident civilian spouses are subject to tax on all other types of income from New Jersey sources, such as a gain from the sale of property.

For more information, see Tax Topic Bulletin [GIT-7](#), *Military Personnel*.

Remember: When completing your part-year nonresident return, report in each column only the income you received during the time period covered by your nonresident return.

As a nonresident, your tax is calculated on your income from all sources as if you were a New Jersey resident, and then prorated based on the amount of that income that comes from New Jersey sources. In other words, your final New Jersey Income Tax liability is based on the percentage of your income that comes from New Jersey.

For more information on completing the nonresident return, see [instructions for Form NJ-1040NR](#).

COMPLETING A PART-YEAR RESIDENT RETURN

Important Points:

- Enter dates of your New Jersey residency above Line 1;
- Report income, withholdings, and payments *for period of New Jersey residency only*;
- Prorate exemptions, deductions, exclusions, and credits based on residency period;
- If you also complete a part-year nonresident return, allocate your income, withholdings, and payments between the two returns as appropriate.

NJ RESIDENCY STATUS	If you were a New Jersey resident for ONLY part of the taxable year, give the period of New Jersey residency:	From <table style="display: inline-table; border: 1px solid black; text-align: center; vertical-align: middle;"> <tr><td style="border: 1px solid black; width: 20px; height: 20px;">M</td><td style="border: 1px solid black; width: 20px; height: 20px;">M</td></tr> </table> / <table style="display: inline-table; border: 1px solid black; text-align: center; vertical-align: middle;"> <tr><td style="border: 1px solid black; width: 20px; height: 20px;">D</td><td style="border: 1px solid black; width: 20px; height: 20px;">D</td></tr> </table> / <table style="display: inline-table; border: 1px solid black; text-align: center; vertical-align: middle;"> <tr><td style="border: 1px solid black; width: 20px; height: 20px;">Y</td><td style="border: 1px solid black; width: 20px; height: 20px;">Y</td></tr> </table> To <table style="display: inline-table; border: 1px solid black; text-align: center; vertical-align: middle;"> <tr><td style="border: 1px solid black; width: 20px; height: 20px;">M</td><td style="border: 1px solid black; width: 20px; height: 20px;">M</td></tr> </table> / <table style="display: inline-table; border: 1px solid black; text-align: center; vertical-align: middle;"> <tr><td style="border: 1px solid black; width: 20px; height: 20px;">D</td><td style="border: 1px solid black; width: 20px; height: 20px;">D</td></tr> </table> / <table style="display: inline-table; border: 1px solid black; text-align: center; vertical-align: middle;"> <tr><td style="border: 1px solid black; width: 20px; height: 20px;">Y</td><td style="border: 1px solid black; width: 20px; height: 20px;">Y</td></tr> </table>	M	M	D	D	Y	Y	M	M	D	D	Y	Y
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- 1. NJ Residency Status.** Show the beginning and ending dates of your residency in New Jersey during the year. If you were a resident for 15 days or more of a month, that month counts as a month of residence. For example, if you were a New Jersey resident from January 27, 2017, to July 21, 2017, you were a resident for six months.

14. Wages, salaries, tips, and other employee compensation (Enclose W-2) Be sure to use State wages from Box 16 of your W-2(s). See instructions.....	14								
15a. Taxable interest income (See instructions) (Enclose federal Schedule B if over \$1,500).....	15a								
15b. Tax-exempt interest income (See instructions) (Enclose Schedule) DO NOT include on Line 15a.....	15b								
16. Dividends.....	16								
17. Net profits from business (Schedule NJ-BUS-1, Part I, Line 4) (Enclose copy of federal Schedule C, Form 1040).....	17								
18. Net gains or income from disposition of property (Schedule B, Line 4).....	18								
19a. Pensions, Annuities, and IRA withdrawals (See instructions).....	19a								
19b. Excludable Pensions, Annuities, and IRA withdrawals.....	19b								
20. Distributive Share of Partnership Income (Schedule NJ-BUS-1, Part II, Line 4) (See instructions) (Enclose Schedule NJ-K-1 or federal Schedule K-1).....	20								
21. Net pro rata share of S Corporation Income (Schedule NJ-BUS-1, Part III, Line 4) (See instructions) (Enclose Schedule NJ-K-1 or federal Schedule K-1).....	21								
22. Net gains or income from rents, royalties, patents & copyrights (Schedule NJ-BUS-1, Part IV, Line 4).....	22								
23. Net Gambling Winnings (See instructions).....	23								
24. Alimony and separate maintenance payments received.....	24								
25. Other (Enclose Schedule) (See instructions).....	25								

- 2. Income.** Complete Lines 14–25. Enter the total amount you received in each category of income during your period of residency in New Jersey (dates shown above Line 1).

26. Total Income (Add Lines 14, 15a, 16, 17, 18, 19a, and 20 through 25).....	26			,				,				,		
27a. Pension Exclusion (See instructions).....	27a			,				,						
27b. Other Retirement Income Exclusion (See Worksheet and instructions).....	27b			,				,						
27c. Total Exclusion Amount (Add Line 27a and Line 27b).....	27c			,				,						
28. New Jersey Gross Income (Subtract Line 27c from Line 26)..... (See instructions).	28			,				,						

3. Pension and Other Retirement Income Exclusion.

(a) *Pension Exclusion (Line 27a)*. The pension exclusion is only available to taxpayers who had total income for the entire year of \$100,000 or less before subtracting any pension exclusion. If you were a New Jersey resident for only part of the taxable year, you must use your **total income for the entire year** to determine whether or not you qualify for the pension exclusion. If you qualify, prorate the pension exclusion amount by the number of months you were a New Jersey resident by using the formula below. For this calculation, 15 days or more is a month. Use the prorated pension exclusion amount when completing Line 27a.

NOTE: When you and your spouse file a joint return and only one of you is 62 or older or disabled, you can claim the full amount of the prorated exclusion. However, only the income of the one who is 62 or older or disabled can be excluded.

(b) *Other Retirement Income Exclusion (Line 27b)*. If you (and/or your spouse if filing jointly) were 62 or older on the last day of the tax year, you may qualify to exclude other income on Line 27b. There are two parts to the total exclusion: Part I, the unclaimed portion of your prorated pension exclusion, and Part II, a special exclusion for taxpayers who cannot receive Social Security or Railroad Retirement benefits.

PRORATING THE PENSION EXCLUSION:

$$\text{Total Pension Exclusion Amount} \times \frac{\text{Months of NJ Residence}}{12} = \text{Prorated Pension Exclusion Amount}$$

Example

A 65-year-old, single taxpayer who was a New Jersey resident for four months of the 2017 Tax Year prorates the pension exclusion amount like this:

$$\$30,000 \times \frac{4}{12} = \$10,000$$

Do not complete Worksheet D in the NJ-1040 instructions to calculate the total exclusion amount you are eligible to claim. Instead, calculate your total exclusion as follows:

Part I. Total the earned income (wages, net profits from business, partnership income, and S corporation income) you received for the *entire* year. If your earned income for the entire year was

\$3,000 or less and you did not use your entire *prorated* pension exclusion on Line 27a, you may be able to use the unclaimed pension exclusion on Line 27b provided total income for the entire year was \$100,000 or less.

Part II. If you cannot receive Social Security or Railroad Retirement benefits but would have been eligible for benefits had you fully participated in either program, you also may be eligible for an additional exclusion, whether or not you used all of your *prorated* pension exclusion on Line 27a.

NOTE: When you and your spouse file a joint return and only one of you is 62 or older, you can claim the full amount of the prorated exclusion. However, only the income of the one who is 62 or older can be excluded.

More Information. For more detailed information on pension, annuity, and IRA withdrawal income and the New Jersey income exclusions, see Tax Topic Bulletins [GIT-1, Pensions and Annuities](#), and [GIT-2, IRA Withdrawals](#). For information on Roth IRAs, see Technical Bulletin [TB-44, Roth IRAs](#). For information on calculating your partnership and S corporation income, see Tax Topic Bulletins [GIT-9P, Income From Partnerships](#), and [GIT-9S, Income From S Corporations](#).

29. Total Exemption Amount (See instructions to calculate amount)..... (Part-Year Residents see instructions)	29								
30. Medical Expenses (See Worksheet and instructions).....	30								
31. Alimony and Separate Maintenance Payments	31								
32. Qualified Conservation Contribution.....	32								
33. Health Enterprise Zone Deduction.....	33								
34. Alternative Business Calculation Adjustment (Schedule NJ-BUS-2, Line 11).....	34								
35. Total Exemptions and Deductions (Add Lines 29, 30, 31, 32, 33, and 34).....	35								
36. Taxable Income (Subtract Line 35 from Line 28) If zero or less, MAKE NO ENTRY.....	36								

4. Exemptions. You must prorate the exemption allowance amount based on the number of months you were a New Jersey resident. For this calculation, 15 days or more is a month. First determine the full value of your exemptions as follows:

From Line 12a ___ × \$1,000 = _____

From Line 12b ___ × \$1,500 = _____

From Line 12c ___ × \$3,000 = _____

Total Exemption Amount _____

Once you have calculated your Total Exemption Amount, use the formula below and then enter the prorated exemption amount on Line 29.

PRORATING THE EXEMPTION ALLOWANCE:

$$\text{Total Exemption Amount} \times \frac{\text{Months of NJ Residence}}{12} = \text{Prorated Exemption Amount}$$

5. Deductions.

(a) Medical Expenses (Line 30). You can deduct certain medical expenses for which you were not reimbursed by insurance or any other plan, qualified Archer medical savings account (MSA) contributions, and health insurance costs of the self-employed. Complete Worksheet E in the [resident return instructions](#) (Form NJ-1040) to calculate your deduction for medical expenses. Include only those expenses that were incurred and paid during the period of time you were a New Jersey resident.

(b) Alimony and Separate Maintenance Payments (Line 31). You can deduct alimony and separate maintenance payments paid for the period of time you were a New Jersey resident. Child support payments are not deductible.

(c) Qualified Conservation Contribution (Line 32). You can deduct the amount of any qualified conservation contribution you made during the period of time you were a New Jersey resident.

(d) Health Enterprise Zone (Line 33). If you provide primary care services in a qualified medical or dental practice you own that is located in or within five miles of a designated Health Enterprise Zone (HEZ), you may be able to deduct a percentage of the net income from that practice. For information on eligibility requirements and how to calculate the HEZ deduction, see Technical Bulletin [TB-56](#), *Health Enterprise Zones*.

(e) Alternative Business Calculation Adjustment (Line 34). If you report net business loss(es) on Schedule NJ-BUS-1, Business Income Summary Schedule, you may be eligible for an income adjustment based on the business income (losses) incurred for the period of time you were a New Jersey resident. Complete Schedule NJ-BUS-2 in the [resident return instructions](#) (Form NJ-1040) to calculate the amount of your adjustment.

NOTE: New Jersey does not allow deductions for adjustments taken on the federal return such as employee business expenses or IRA and Keogh Plan contributions.

Property Tax Deduction/Credit (Line 38/Line 49). A part-year resident may be eligible to claim a deduction (up to 100% of property taxes due and paid or up to \$10,000, whichever is less) or refundable credit (up to \$50) for property taxes, or rent constituting property taxes (18% of rent), due and paid during their period of residency.

If you do not claim credit for taxes paid to another jurisdiction, complete Worksheet G to determine the amount of your property tax deduction and whether you should elect to take the property tax deduction on Line 38, Form NJ-1040 or the property tax credit on Line 49. If you claim credit for taxes paid to another jurisdiction, first complete lines 1 and 2 of Worksheet G and then complete Schedule A and Worksheet J to make this determination. Enter on line 1 of Worksheet G the amount of property taxes or 18% of rent due and paid during your period of residency from Line 37a, Form NJ-1040. Complete the balance of the worksheet according to the instructions. The minimum benefit for a full-year resident is \$50 (\$25 if you and your spouse file separate returns but occupied the same principal residence). You must prorate this minimum benefit based on the number of months you were a New Jersey resident. For this calculation, 15 days or more is a month. After prorating the minimum benefit, answer the question at line 8 of Worksheet G based on this prorated amount rather than the minimum benefit amount. You will then be able to determine whether you will receive a greater benefit by taking the property tax deduction or claiming the prorated credit.

More Information. For information on claiming credit for taxes paid to another jurisdiction, see Tax Topic Bulletins [GIT-3W](#), *Credit for Taxes Paid to Other Jurisdictions (Wage Income)*, and [GIT-3B](#), *Credit for Taxes Paid to Other Jurisdictions (Business/Nonwage Income)*. For more detailed information on the Property Tax Deduction/Credit, see [instructions for Form NJ-1040](#).

42. Balance of Tax (Subtract Line 41 from Line 40).....	42							
43. Sheltered Workshop Tax Credit.....	43							
44. Balance of Tax after Credit (Subtract Line 43 from Line 42).....	44							

7. Sheltered Workshop Tax Credit. Enter the amount of your Sheltered Workshop Tax Credit from Part IV, line 12 of Form GIT-317. Allocate the total amount of the credit between your part-year resident and part-year nonresident returns if appropriate.

48. Total New Jersey Income Tax Withheld (From enclosed Forms W-2 and 1099).....	48						
49. Property Tax Credit (See instructions)					49		
50. New Jersey Estimated Tax Payments/Credit from 2015 tax return	50						
51. New Jersey Earned Income Tax Credit (See instructions).....					51		
Fill in only one							
Fill in oval if you had the IRS figure your federal earned income credit							
Fill in oval if you are a CU couple claiming the NJ Earned Income Tax Credit							
52. EXCESS New Jersey UI/WF/SWF Withheld (See instructions) (Enclose Form NJ-2450)					52		
53. EXCESS New Jersey Disability Insurance Withheld (See instructions) (Enclose Form NJ-2450).....					53		
54. EXCESS New Jersey Family Leave Insurance Withheld (See instructions) (Enclose Form NJ-2450).....					54		
55. Total Payments/Credits (Add Lines 48 through 54).....	55						

8. Tax Withheld/Property Tax Credit/Estimated Payments.

(a) *Line 48.* Enter the amount of New Jersey Income Tax withheld from wages you earned or other payments you received while you were a New Jersey resident. If your employer combined wages you earned as a resident and wages you earned as a nonresident on the same W-2, and you earned some of those wages from New Jersey while a nonresident, include here only tax withheld during the period you were a resident. Allocate the New Jersey Income Tax withheld between your part-year resident and part-year nonresident returns. If you did not earn any of the wages on the W-2 while a nonresident, report the total New Jersey tax withheld that is shown on the W-2.

(b) *Line 49.* If you are claiming a property tax credit rather than a property tax deduction, enter the amount of your prorated credit.

(c) *Line 50.* Enter the amount of estimated payments to New Jersey for the period of time you were a resident. If you made estimated payments both as a resident and as a nonresident, enter on your part-year resident return the payment(s) made to meet the tax liability for your period of New Jersey residency. Enter on the part-year nonresident return the payment(s) made to satisfy your tax liability during the part of the year you were a nonresident. Also enter any amounts paid to qualify for an extension of time to file.

Worksheet I	
Earned Income Tax Credit	
1. Enter the amount of your federal earned income credit from your 2017 federal Form 1040 or Form 1040A.....	1. _____
Fill in the first oval below Line 51 if you asked the IRS to calculate your federal earned income credit. Civil union couples, see instructions.	
2. Enter 35% of amount on line 1 here and on Line 51, Form NJ-1040. Part-year residents, see instructions.	2. _____
(Keep for your records)	

- 9. New Jersey Earned Income Tax Credit (Line 51).** Most residents who are eligible and file for a federal earned income credit also can receive a New Jersey credit in the amount equal to 35% of the federal benefit. Complete Worksheet I to calculate the amount for Line 51, Form NJ-1040. However, you must prorate your credit based on the number of months you were a New Jersey resident. For this calculation, 15 days or more is a month.

You must file Form NJ-1040 to receive a New Jersey Earned Income Tax Credit, even if you are not required to file a return because your gross income is equal to or less than the filing threshold amount. (See [Part-Year Residents](#).)

NOTE: If your filing status is married/CU partner, filing separate return, you cannot claim a New Jersey Earned Income Tax Credit (NJEITC).

If you asked the Internal Revenue Service to calculate your federal earned income credit, fill in the first oval below Line 51, Form NJ-1040. (Civil union couples should not fill in this oval even if one or both of you is eligible for a federal credit and asked the IRS to calculate the amount. See the instructions for Civil Union Couples below.) The IRS is expected to provide information to the Division of Taxation in October 2018. Please allow at least 4–6 weeks for the Division to process the information and issue a check for your New Jersey Earned Income Tax Credit.

Civil Union Couples. If you file a joint federal return, complete Worksheet I to calculate your NJEITC. If you did not file a joint federal return and want to determine if you are eligible for the NJEITC, prepare a federal return as if you were married, filing jointly and calculate the amount of the federal earned income credit you would have been eligible to receive on a joint federal return. Once you have determined the amount of the federal credit you would have received as joint filers, you must use that amount on Worksheet I to calculate your New Jersey credit. Fill in only the second oval below Line 51 indicating you are a civil union couple.

PRORATING THE NEW JERSEY EARNED INCOME TAX CREDIT:

$$\text{Total New Jersey EITC Amount} \times \frac{\text{Months of NJ Residence}}{12} = \text{Prorated New Jersey EITC Amount}$$

New Jersey Gross Income (Line 10). When completing Line 10, Form NJ-1040-H, you must include your gross income for the *entire year* from all sources (both inside and outside New Jersey).

COMPLETING A PART-YEAR NONRESIDENT RETURN

Important Points:

- Enter the dates you were a New Jersey resident above Line 1;
- Report income, withholdings, and payments for period of New Jersey nonresidency only;
- When reporting your income, fill out both Column A and Column B completely;
- Prorate exemptions, deductions, exclusions, and credits based on nonresidency period;
- If you also complete a part-year resident return, allocate your income, withholdings, and payments between the part-year resident and part-year nonresident returns as appropriate.

Your Social Security Number		Last Name, First Name and Initial (Joint filers enter first name and initial of each—Enter spouse's/CU partner's last name ONLY if different)		Place label on form if all preprinted information is correct. Otherwise, print or type your name and address.	
Spouse's/CU Partner's Social Security Number		Home Address (Number and Street, including apartment number or rural route) Change of Address <input type="checkbox"/>			
↑ You must enter your SSN(s) above State of Residency (outside NJ) ↑		City, Town, Post Office	State		Zip Code
NJ RESIDENCY STATUS If you were a New Jersey resident for ANY part of the taxable year, give the period of New Jersey residency. From _____ To _____ <small>MONTH DAY YEAR MONTH DAY YEAR</small>					
Filing Status (Check only ONE box) 1. <input type="checkbox"/> Single 2. <input type="checkbox"/> Married/CU Couple, filing joint return 3. <input type="checkbox"/> Married/CU Partner, filing separate return Name and SSN of Spouse/CU Partner _____ 4. <input type="checkbox"/> Head of household 5. <input type="checkbox"/> Qualifying widow(er)/Surviving CU Partner		EXEMPTIONS	6. Regular <input checked="" type="checkbox"/> Yourself <input type="checkbox"/> Spouse/CU Partner <input type="checkbox"/> Domestic Partner	6	
			7. Age 65 or Over <input type="checkbox"/> Yourself <input type="checkbox"/> Spouse/CU Partner	7	
			8. Blind or Disabled <input type="checkbox"/> Yourself <input type="checkbox"/> Spouse/CU Partner	8	
			9. Number of your qualified dependent children		9
			10. Number of other dependents		10
			11. Dependents attending colleges (See instructions)	11	
		12. Totals (For Line 12a—Add Lines 6, 7, 8, and 11) (For Line 12b—Add Line 9 and Line 10)	12a	12b	
		12c. Veteran Exemption <input type="checkbox"/> Yourself <input type="checkbox"/> Spouse/CU Partner	12c		

1. Residency Status.

(a) Complete the "State of Residency (outside NJ)" box below your Social Security number(s) at the top of the return. Indicate the place outside New Jersey where you lived for the period of *nonresidency*. If you lived at more than one location, give the most recent.

(b) Show the beginning and ending dates of your *residency in New Jersey* during the tax year.

NOTE: When you file a part-year nonresident return, you are likely to be required to file a part-year resident return too (see [page 6](#)). The part-year resident return covers the period of New Jersey residency shown above Line 1, and the part-year nonresident return covers the portion of the year you were *not a resident of New Jersey*. If you were a nonresident for 15 days or more of a month, that month counts as a month of nonresidence. For example, if you were a

New Jersey resident from September 27, 2017, to December 31, 2017, you were a nonresident for nine months. (See [Exemptions](#).)

Driver's License # (Voluntary)	State	(Column A) AMOUNT OF GROSS INCOME (EVERYWHERE)			(Column B) AMOUNT FROM NEW JERSEY SOURCES		
14. Wages, salaries, tips, and other employee compensation..... Check box if you completed Lines 61 through 67 <input type="checkbox"/>		14			14		
15. Interest.....		15			15		
16. Dividends.....		16			16		
17. Net profits from business (Schedule NJ-BUS-1, Part I, Line 4).....		17			17		
18. Net gains or income from disposition of property (From Line 60).....		18			18		
19. Net gains or income from rents, royalties, patents, and copyrights (Schedule NJ-BUS-1, Part II, Line 4).....		19			19		
20. Net gambling winnings (See Instructions).....		20			20		
21. Pensions, Annuities, and IRA Withdrawals.....		21					
22. Distributive Share of Partnership Income (Schedule NJ-BUS-1, Part III, Line 4).....		22			22		
23. Net pro rata share of S Corporation Income (Schedule NJ-BUS-1, Part IV, Line 4).....		23			23		
24. Alimony and separate maintenance payments received.....		24					
25. Other—State Nature and Source.....		25			25		
26. TOTAL INCOME (Add Lines 14 through 25).....		26			26		
27a. Pension Exclusion (See Instructions).....		27a					
27b. Other Retirement Income Exclusion (See Worksheet and Instructions).....		27b			27b		
27c. Total Exclusion Amount (Add Line 27a and Line 27b).....		27c			27c		
28. Gross Income (Subtract Line 27c from Line 26).....		28			28		

2. **Income.** Complete *both* Columns A and B, Lines 14–26. *Include only income you received for the part of the year you were a nonresident.* Report in Column A income from all sources (both inside and outside New Jersey) as if you were a resident; in Column B, show your income from New Jersey sources. Follow the nonresident return instructions for completing each line. For every entry in Column A, there should be an entry on the corresponding line in Column B. If none of the income in Column A is from New Jersey sources, enter “0” in Column B. In certain circumstances, the amount in Column B can be more than the amount in Column A. No entry is needed on Line 21, Column B since pension, annuity, and IRA withdrawal income is not taxable to nonresidents. There is also no entry needed on Line 24, Column B since Alimony and separate maintenance payments received are not taxable to nonresidents.

Pennsylvania residents are not subject to Income Tax on wages they earn in New Jersey. Therefore, if you are a Pennsylvania resident, you must report all your wages (including wages earned in New Jersey) in Column A, and “0” should be entered in Column B.

This exception applies only to wages. Pennsylvania residents are subject to New Jersey tax on other types of income from New Jersey sources. For example, winnings from a casino or racetrack located in New Jersey or net profits from a business located in New Jersey must be reported in both Column A and Column B.

3. Pension and Other Retirement Income Exclusion.

(a) Pension Exclusion (Line 27a).

Column A: If you were a New Jersey nonresident for only part of the taxable year and **had total income from all sources for the entire year** of \$100,000 or less, you may qualify for a pension exclusion if you meet the other eligibility requirements. If you qualify, prorate the exclusion by the number of months you were a New Jersey nonresident. For this calculation, 15 days or more is a month. See the description of how to [prorate](#) the pension exclusion amount.

NOTE: When you and your spouse file a joint return and only one of you is 62 or older or disabled, you can claim the full amount of the prorated exclusion. However, only the income of the one who is 62 or older or disabled can be excluded.

Column B: No entry is necessary in Column B since pension, annuity, and IRA withdrawal income is not taxable to nonresidents.

(b) *Other Retirement Income Exclusion (Line 27b, Columns A and B).* If you (and/or your spouse if filing jointly) were 62 or older on the last day of the tax year, you may qualify to exclude other income on Line 27b. There are two parts to the total exclusion. Part I is the unclaimed portion of your prorated pension exclusion, and Part II is a special exclusion for taxpayers who cannot receive Social Security or Railroad Retirement benefits. *Do not* complete Worksheet D in the NJ-1040NR instructions to calculate the total exclusion amount you are eligible to claim. Instead, calculate your total exclusion as follows:

Part I. Total the earned income (wages, net profits from business, partnership income, and S corporation income) you received from all sources for the *entire* year. If your earned income for the entire year was \$3,000 or less and you did not use your entire prorated pension exclusion on Line 27a, you may be able to use the unclaimed pension exclusion on Line 27b provided total income from all sources for the entire year before subtracting any pension exclusion was \$100,000 or less;

Part II. If you cannot receive Social Security or Railroad Retirement benefits, but would have been eligible for benefits had you fully participated in either program, you also may be eligible for an additional exclusion, whether or not you used all of your prorated pension exclusion at Line 27a.

NOTE: When you and your spouse file a joint return and only one of you is 62 or older, you can claim the full amount of the prorated exclusion. However, only the income of the one who is 62 or older can be excluded.

More Information. For information on calculating your partnership and S corporation income, see Tax Topic Bulletins [GIT-9P](#), *Income From Partnerships*, and [GIT-9S](#), *Income From S Corporations*. For more information on pension, annuity, and IRA withdrawal income and the New Jersey income exclusions, see Tax Topic Bulletins [GIT-1](#), *Pensions and Annuities*, and [GIT-2](#), *IRA Withdrawals*.

30. Total Exemption Amount (See instructions)	30		
31. Medical Expenses (See Worksheet and Instructions)	31		
32. Alimony and separate maintenance payments	32		
33. Qualified Conservation Contribution	33		
34. Health Enterprise Zone Deduction	34		
35. Alternative Business Calculation Adjustment (Schedule NJ-BUS-2, Line 11)	35		
36. Total Exemptions and Deductions (Add Lines 30, 31, 32, 33, 34, and 35)	36		
37. TAXABLE INCOME (Subtract Line 36 from Line 29, Column A)	37		

4. Exemptions. You must prorate the exemption allowance amount based on the number of months you were a New Jersey nonresident. For this calculation, 15 days or more is a month. First determine the full value of your exemptions as follows:

From Line 12a ____ × \$1,000 = _____

From Line 12b ____ × \$1,500 = _____

From Line 12c ____ × \$3,000 = _____

Total Exemption Amount _____

Once you have calculated your Total Exemption Amount, use the formula below and then enter the prorated exemption amount on Line 30.

PRORATING THE EXEMPTION ALLOWANCE:

$$\text{Total Exemption Amount} \times \frac{\text{Months of NJ Nonresidence}}{12} = \text{Prorated Exemption Amount}$$

5. Deductions.

(a) Medical Expenses (Line 31). You can deduct certain medical expenses for which you were not reimbursed by insurance or any other plan, qualified Archer medical savings account (MSA) contributions, and health insurance costs of the self-employed. Complete Worksheet E in the [nonresident return instructions](#) (Form NJ-1040NR) to calculate your deduction for medical expenses. Include only those expenses that were incurred and paid during the period of time you were a New Jersey nonresident.

(b) Alimony and Separate Maintenance Payments (Line 32). You can deduct alimony and separate maintenance payments paid for the period of time you were a New Jersey nonresident. Child support payments are not deductible.

(c) Qualified Conservation Contribution (Line 33). You can deduct the amount of any qualified conservation contribution you made during the period of time you were a New Jersey nonresident.

(d) *Health Enterprise Zone (Line 34).* If you provide primary care services in a qualified medical or dental practice you own that is located in or within five miles of a designated Health Enterprise Zone (HEZ), you may be able to deduct a percentage of the net income from that practice. For information on eligibility requirements and how to calculate the HEZ deduction, see Technical Bulletin [TB-56](#), *Health Enterprise Zones*.

(e) *Alternative Business Calculation Adjustment (Line 35).* If you report net business loss(es) on Schedule NJ-BUS-1, Business Income Summary Schedule, you may be eligible for an income adjustment based on the business income (losses) incurred for the period of time you were a New Jersey nonresident. Complete Schedule NJ-BUS-2 in the [nonresident return instructions](#) (Form NJ-1040NR) to calculate the amount of your adjustment.

NOTE: New Jersey does not allow deductions for adjustments taken on the federal return, such as employee business expenses or IRA and Keogh Plan contributions.

40. NEW JERSEY TAX (Multiply amount from Line 38 _____ x _____ % on Line 39)	40		
41. Sheltered Workshop Tax Credit (Enclose Form GIT-317. See instructions)	41		
42. Balance of Tax After Credit (Subtract Line 41 from Line 40).....	42		

6. Sheltered Workshop Tax Credit. Enter the amount of your Sheltered Workshop Tax Credit from Part IV, line 12 of Form GIT-317. Allocate the total amount of the credit between your part-year resident and part-year nonresident returns if appropriate.

45. Total New Jersey Income Tax Withheld (From enclosed Forms W-2 and 1099)..	45			← Also enter on Line 46: • Payments made in connection with sale of NJ real property • Payments by S corporation for non-resident shareholder
46. New Jersey Estimated Tax Payments/Credit from 2016 tax return.....	46			
47. Tax paid on your behalf by Partnership(s).....	47			
48. EXCESS NJ UI/WF/SWF Withheld (Enclose Form NJ-2450. See instructions).....	48			
49. EXCESS NJ Disability Insurance Withheld (Enclose Form NJ-2450. See instructions).....	49			
50. EXCESS NJ Family Leave Insurance Withheld (Enclose Form NJ-2450. See instructions).....	50			
51. Total Payments/Credits (Add Lines 45 through 50).....	ENTER TOTAL →		51	

7. Tax Withheld/Estimated Payments.

(a) *Line 45.* Enter the amount of New Jersey Income Tax withheld from wages you earned or other payments you received while you were a New Jersey nonresident. If your employer combined wages you earned as a resident and wages you earned as a nonresident on the same W-2, and you earned some of those wages from New Jersey while a nonresident, include here only tax withheld during the period you were a nonresident. Allocate the New Jersey Income Tax withheld between your part-year resident and part-year nonresident returns if you earned wages from New Jersey as a resident and as a nonresident.

(b) *Line 46.* Enter the amount of estimated payments to New Jersey for the period of time you were a nonresident. If you made estimated payments both as a resident and as a nonresident, enter on your

part-year resident return the payment(s) made to meet the tax liability for your period of New Jersey residency. Enter on the part-year nonresident return the payment(s) made to satisfy your tax liability during the part of the year you were a nonresident. Also enter any amounts paid to qualify for an extension of time to file.

PART II	ALLOCATION OF WAGE AND SALARY INCOME EARNED PARTLY INSIDE AND OUTSIDE NEW JERSEY	(See instructions if compensation depends entirely on volume of business transacted or if other basis of allocation is used.)	
61.	Amount reported on Line 14 in Column A required to be allocated.....	61	
62.	Total days in taxable year.....	62	
63.	Deduct nonworking days (Sundays, Saturdays, holidays, sick leave, vacation, etc.).....	63	
64.	Total days worked in taxable year (Subtract Line 63 from Line 62).....	64	
65.	Deduct days worked outside New Jersey.....	65	
66.	Days worked in New Jersey (Subtract Line 65 from Line 64).....	66	
67.	ALLOCATION FORMULA	$\frac{\text{(Line 66)}}{\text{(Line 64)}} \times \frac{\text{(Enter amount from Line 61)}}{\text{(Salary earned inside N.J.)}} = \text{(Include this amount on Line 14, Col. B)}$	

8. Allocation of Wage and Salary Income Earned Partly Inside and Outside New Jersey. Complete this section only when you have wage/salary income earned partly inside and partly outside New Jersey and you cannot readily determine the amount of wage/salary income from New Jersey. For purposes of completing this section, "total days" on Line 62 means the number of days covered by your part-year return. Complete Lines 61–67 accordingly.

Check the box at Line 14 if you complete this section.

Example

Part-Year Resident/Part-Year Nonresident

- Arnav Patel, age 35, and Kashvi Patel, age 32, are married and file a joint federal return. They have two dependents: their 1-year-old son and Mr. Patel's 67-year-old mother;
- The family moved to New Jersey from New York City on April 1. They rented an apartment at 123 Elm St., Montclair, NJ 07042 from April 1 to December 31 for \$750 a month;
- The husband worked for the same employer in New Jersey all year; wages for the year were \$72,000;
- The wife's wages for part-time job from September to December were \$3,000;
- The couple received \$6,400 in interest on their joint accounts and \$480 in dividends for the year;
- On March 1, they sold 200 shares of jointly held stock in ABC Corp. for \$3,500, purchased the previous year for \$2,800;
- They won \$75 in the New York Lottery on February 3 and \$62 in the New Jersey Lottery on July 29;
- New Jersey Income Tax withheld: \$1,983 for Mr. Patel and \$52 for Mrs. Patel;
- Four estimated tax payments of \$50 each made to New Jersey on April 15, June 15, September 15, and January 15 of the following year.

NJ-1040NR 2017		STATE OF NEW JERSEY		INCOME TAX—NONRESIDENT RETURN									
Your Social Security Number 999 34 0722		Last Name, First Name and Initial (joint filers enter first name and initial of each—Enter spouse's/CU partner's last name ONLY if different) Patel, Arnav and Kashvi			Place label on form if all preprinted information is correct. Otherwise, print or type your name and address.								
Spouse's/CU Partner's Social Security Number 999 01 3664		Home Address (Number and Street, including apartment number or rural route) Change of Address <input checked="" type="checkbox"/> 123 Elm St.											
You must enter your SSN(s) above State of Residency (outside NJ) New York		City, Town, Post Office Montclair	State NJ	Zip Code 07042									
NJ RESIDENCY STATUS		If you were a New Jersey resident for ANY part of the taxable year, give the period of New Jersey residency.											
		From		04-01-17		To		12-31-17					
				MONTH DAY YEAR				MONTH DAY YEAR					
Filing Status (Check only ONE box)		EXEMPTIONS		6. Regular <input checked="" type="checkbox"/> Yourself <input checked="" type="checkbox"/> Spouse/CU Partner <input type="checkbox"/> Domestic Partner		6		2					
1. <input type="checkbox"/> Single				7. Age 65 or Over <input type="checkbox"/> Yourself <input type="checkbox"/> Spouse/CU Partner		7							
2. <input checked="" type="checkbox"/> Married/CU Couple, filing joint return				8. Blind or Disabled <input type="checkbox"/> Yourself <input type="checkbox"/> Spouse/CU Partner		8							
3. <input type="checkbox"/> Married/CU Partner, filing separate return				9. Number of your qualified dependent children				1					
Name and SSN of Spouse/CU Partner				10. Number of other dependents				10		1			
4. <input type="checkbox"/> Head of household				11. Dependents attending colleges (See instructions)		11							
5. <input type="checkbox"/> Qualifying widow(er)/Surviving CU Partner				12. Totals (For Line 12a—Add Lines 6, 7, 8, and 11) (For Line 12b—Add Line 9 and Line 10)		12a		2		12b		2	
				12c. Veteran Exemption <input type="checkbox"/> Yourself <input type="checkbox"/> Spouse/CU Partner		12c							
				13. Dependent's Last Name, First Name, Middle Initial		Dependent's Social Security Number		Birth Year					
DEPENDENTS				a Patel, Kabir		999 / 52 / 0222		2016					
				b Patel, Myra		999 / 36 / 8819		1950					
				c		/ /							
				d		/ /							
GUVERNATORIAL ELECTIONS FUND		Do you wish to designate \$1 of your taxes for this fund? If joint return, does your spouse/CU partner wish to designate \$1?		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		Note: If you check the "Yes" box(es), it will not increase your tax or reduce your refund.							
Driver's License # (Voluntary)		State		(Column A) AMOUNT OF GROSS INCOME (EVERYWHERE)			(Column B) AMOUNT FROM NEW JERSEY SOURCES						
14. Wages, salaries, tips, and other employee compensation Check box if you completed Lines 61 through 67 <input type="checkbox"/>		14		18000 00		14		18000 00					
15. Interest		15		1600 00		15		0					
16. Dividends		16		120 00		16		0					
17. Net profits from business (Schedule NJ-BUS-1, Part I, Line 4)		17				17							
18. Net gains or income from disposition of property (From Line 60)		18		700 00		18		0					
19. Net gains or income from rents, royalties, patents, and copyrights (Schedule NJ-BUS-1, Part II, Line 4)		19				19							
20. Net gambling winnings (See Instructions)		20		75 00		20		0					
21. Pensions, Annuities, and IRA Withdrawals		21				21							
22. Distributive Share of Partnership Income (Schedule NJ-BUS-1, Part III, Line 4)		22				22							
23. Net pro rata share of S Corporation Income (Schedule NJ-BUS-1, Part IV, Line 4)		23				23							
24. Alimony and separate maintenance payments received		24				24							
25. Other—State Nature and Source		25				25							
26. TOTAL INCOME (Add Lines 14 through 25)		26		20495 00		26		18000 00					
27a. Pension Exclusion (See Instructions)		27a				27a							
27b. Other Retirement Income Exclusion (See Worksheet and Instructions)		27b				27b							
27c. Total Exclusion Amount (Add Line 27a and Line 27b)		27c				27c							
28. Gross Income (Subtract Line 27c from Line 26)		28		20495 00		28		18000 00					

PART I	NET GAINS OR INCOME FROM DISPOSITION OF PROPERTY	List the net gains or income, less net loss, derived from the sale, exchange, or other disposition of property including real or personal whether tangible or intangible.							
(a) Kind of property and description	(b) Date acquired (Mo., day, yr.)	(c) Date sold (Mo., day, yr.)	(d) Gross sales price		(e) Cost or other basis as adjusted (see instructions) and expense of sale		(f) Gain or (loss) (d less e)		
57. 200 shs. ABC Corp.	2-15-16	3-1-17	3500	00	2800	00	700	00	
58. Capital Gains Distribution.....							58		
59. Other Net Gains.....							59		
60. Net Gains (Add Lines 57, 58, and 59) (Enter here and on Line 18) (If Loss, enter ZERO).....							60	700 00	
PART II	ALLOCATION OF WAGE AND SALARY INCOME EARNED PARTLY INSIDE AND OUTSIDE NEW JERSEY	(See instructions if compensation depends entirely on volume of business transacted or if other basis of allocation is used.)							
61. Amount reported on Line 14 in Column A required to be allocated.....							61		
62. Total days in taxable year.....							62		
63. Deduct nonworking days (Sundays, Saturdays, holidays, sick leave, vacation, etc.).....							63		
64. Total days worked in taxable year (Subtract Line 63 from Line 62).....							64		
65. Deduct days worked outside New Jersey.....							65		
66. Days worked in New Jersey (Subtract Line 65 from Line 64).....							66		
67. ALLOCATION FORMULA	$\frac{\text{(Line 66)}}{\text{(Line 64)}} \times$	$\frac{\text{(Enter amount from Line 61)}}{\text{(Salary earned inside N.J.)}}$						(Include this amount on Line 14, Col. B)	
PART III	ALLOCATION OF BUSINESS INCOME TO NEW JERSEY	(See instructions if other than Formula Basis of allocation is used.)							
BUSINESS ALLOCATION PERCENTAGE (From Schedule NJ-NR-A) Enter below, the line number and amount of each item of business income reported in Column A which is required to be allocated and multiply by allocation percentage to determine amount of income from New Jersey sources.									
From Line No. _____ \$ _____ × _____ % = \$ _____ From Line No. _____ \$ _____ × _____ % = \$ _____ From Line No. _____ \$ _____ × _____ % = \$ _____									

NJ-1040
2017

STATE OF NEW JERSEY
INCOME TAX-RESIDENT RETURN

Your Social Security Number 9 9 9 - 3 4 - 0 7 2 2		Last Name, First Name, and Initial (Joint filers enter first name and initial of each - Enter spouse/CU partner last name ONLY if different) Patel, Arnav and Kashvi																																		
Spouse's/CU Partner's Social Security Number 9 9 9 - 0 1 - 3 6 6 4		Home Address (Number and Street, including apartment number or rural route) 123 Elm St.		Change of Address <input type="checkbox"/>																																
County/Municipality Code (See Table) 0 7 1 3		City, Town, Post Office Montclair		State NJ	Zip Code 07042																															
NJ RESIDENCY STATUS If you were a New Jersey resident for ONLY part of the taxable year, give the period of New Jersey residency: From 0 4 / 0 1 / 1 7 To 1 2 / 3 1 / 1 7																																				
(Fill in only one) 1. <input type="radio"/> Single 2. <input checked="" type="radio"/> Married/CU Couple, filing joint return 3. <input type="radio"/> Married/CU Partner, filing separate return Enter Spouse's/CU Partner's Social Security Number in the boxes provided above 4. <input type="radio"/> Head of household 5. <input type="radio"/> Qualifying widow(er)/Surviving CU Partner		6. Regular <input checked="" type="radio"/> Yourself <input checked="" type="radio"/> Spouse/CU Partner <input type="radio"/> Domestic Partner 7. Age 65 or Over <input type="radio"/> Yourself <input type="radio"/> Spouse/CU Partner 8. Blind or Disabled <input type="radio"/> Yourself <input type="radio"/> Spouse/CU Partner 9. Number of your qualified dependent children 10. Number of other dependents 11. Dependents attending colleges (See instructions) 12. Totals (For Line 12a - Add Lines 6, 7, 8, and 11) (For Line 12b - Add Lines 9 and 10) 12c. Veteran Exemption <input type="radio"/> Yourself <input type="radio"/> Spouse/CU Partner		<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:20px;">6</td> <td style="width:20px;">2</td> <td rowspan="3" style="text-align:center; vertical-align:middle;">ENTER NUMBERS HERE</td> </tr> <tr> <td>7</td> <td></td> </tr> <tr> <td>8</td> <td></td> </tr> <tr> <td colspan="2"></td> <td style="text-align:center;">9</td> <td style="text-align:center;">1</td> </tr> <tr> <td colspan="2"></td> <td style="text-align:center;">10</td> <td style="text-align:center;">1</td> </tr> <tr> <td colspan="2"></td> <td style="text-align:center;">11</td> <td></td> </tr> <tr> <td colspan="2"></td> <td style="text-align:center;">12a</td> <td style="text-align:center;">2</td> <td style="text-align:center;">12b</td> <td style="text-align:center;">2</td> </tr> <tr> <td colspan="2"></td> <td style="text-align:center;">12c</td> <td></td> <td></td> <td></td> </tr> </table>		6	2	ENTER NUMBERS HERE	7		8				9	1			10	1			11				12a	2	12b	2			12c			
6	2	ENTER NUMBERS HERE																																		
7																																				
8																																				
		9	1																																	
		10	1																																	
		11																																		
		12a	2	12b	2																															
		12c																																		
13. Dependent's Last Name, First Name, Middle Initial		Dependent's Social Security Number		Birth Year																																
a. Perry, Kabir		9 9 9 - 5 2 - 0 2 2 2		2 0 1 6																																
b. Perry, Myra		9 9 9 - 3 6 - 8 8 1 9		1 9 5 0																																
c. _____		_____ - _____ - _____		_____																																
d. _____		_____ - _____ - _____		_____																																
Fill in oval if dependent does not have health insurance including NJ FamilyCare/Medicaid, Medicare, private or other (see instructions). a. <input type="checkbox"/> b. <input type="checkbox"/> c. <input type="checkbox"/> d. <input type="checkbox"/>																																				
GUBERNATORIAL ELECTIONS FUND Do you wish to designate \$1 of your taxes for this fund? <input type="radio"/> Yes <input type="radio"/> No If joint return, does your spouse/CU partner wish to designate \$1? <input type="radio"/> Yes <input type="radio"/> No		Note: If you fill in the "Yes" oval(s), it will not increase your tax or reduce your refund.																																		
If enclosing copy of death certificate for deceased taxpayer, fill in (See instructions)..... <input type="checkbox"/>			If you do not need forms mailed to you next year, fill in (See instructions)..... <input type="checkbox"/>																																	
Under the penalties of perjury, I declare that I have examined this Income Tax return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. If prepared by a person other than taxpayer, this declaration is based on all information of which the preparer has any knowledge.																																				
Your Signature _____ Date _____		Spouse's/CU Partner's Signature (if filing jointly, BOTH must sign) _____ Date _____																																		
Driver's License # (Voluntary. See instructions) _____																																				
I authorize the Division of Taxation to discuss my return and enclosures with my preparer (below)..... <input type="checkbox"/>																																				
Paid Preparer's Signature (Fill in <input type="checkbox"/> if NJ-1040-O is enclosed)			Federal Identification Number _____																																	
Pay amount on Line 56 in full. Write Social Security number(s) on check or money order and make payable to: STATE OF NEW JERSEY - TGI Mail your check or money order with your NJ-1040-V payment voucher and your return to: NJ Division of Taxation Revenue Processing Center PO Box 111 Trenton, NJ 08645-0111 IF REFUND: NJ Division of Taxation Revenue Processing Center PO Box 555 Trenton, NJ 08647-0555 You may also pay by e-check or credit card.																																				

14. Wages, salaries, tips, and other employee compensation (Enclose W-2) Be sure to use State wages from Box 16 of your W-2(s). See instructions.....	14					5	7	0	0	0	0	0	0
15a. Taxable interest income (See instructions) (Enclose federal Schedule B if over \$1,500).....	15a						4	8	0	0	0	0	0
15b. Tax-exempt interest income (See instructions) (Enclose Schedule) DO NOT include on Line 15a.....	15b												
16. Dividends.....	16							3	6	0	0	0	0
17. Net profits from business (Schedule NJ-BUS-1, Part I, Line 4) (Enclose copy of federal Schedule C, Form 1040).....	17												
18. Net gains or income from disposition of property (Schedule B, Line 4).....	18												
19a. Pensions, Annuities, and IRA withdrawals (See instructions).....	19a												
19b. Excludable Pensions, Annuities, and IRA withdrawals.....	19b												
20. Distributive Share of Partnership Income (Schedule NJ-BUS-1, Part II, Line 4) (See instructions) (Enclose Schedule NJ-K-1 or federal Schedule K-1).....	20												
21. Net pro rata share of S Corporation Income (Schedule NJ-BUS-1, Part III, Line 4) (See instructions) (Enclose Schedule NJ-K-1 or federal Schedule K-1).....	21												
22. Net gains or income from rents, royalties, patents & copyrights (Schedule NJ-BUS-1, Part IV, Line 4).....	22												
23. Net Gambling Winnings (See instructions).....	23												
24. Alimony and separate maintenance payments received.....	24												
25. Other (Enclose Schedule) (See instructions).....	25												
26. Total Income (Add Lines 14, 15a, 16, 17, 18, 19a, and 20 through 25).....	26							6	2	1	6	0	0
27a. Pension Exclusion (See instructions).....	27a												
27b. Other Retirement Income Exclusion (See Worksheet and instructions).....	27b												
27c. Total Exclusion Amount (Add Line 27a and Line 27b).....	27c												
28. New Jersey Gross Income (Subtract Line 27c from Line 26) (See instructions).....	28							6	2	1	6	0	0
29. Total Exemption Amount (See instructions to calculate amount) (Part-Year Residents see instructions).....	29							3	7	5	0	0	0
30. Medical Expenses (See Worksheet and instructions).....	30												
31. Alimony and Separate Maintenance Payments.....	31												
32. Qualified Conservation Contribution.....	32												
33. Health Enterprise Zone Deduction.....	33												
34. Alternative Business Calculation Adjustment (Schedule NJ-BUS-2, Line 11).....	34												
35. Total Exemptions and Deductions (Add Lines 29, 30, 31, 32, 33, and 34).....	35							3	7	5	0	0	0
36. Taxable Income (Subtract Line 35 from Line 28) If zero or less, MAKE NO ENTRY.....	36							5	8	4	1	0	0
37a. Total Property Taxes (18% of Rent) Paid (See instructions)	37a					1	2	1	5	0	0		
37b. Block <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> Lot <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> Qualifier <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>													
37c. County/Municipality Code <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> Fill in oval if you completed Worksheet G-1 <input type="radio"/> (See instructions)													
38. Property Tax Deduction (From Worksheet G. See instructions).....	38												
39. NEW JERSEY TAXABLE INCOME (Subtract Line 38 from Line 36) If zero or less, MAKE NO ENTRY.....	39							5	8	4	1	0	0

40. TAX (From Tax Table)	40		1	0	1	1	0	0
41. Credit For Income Taxes Paid to Other Jurisdictions Enter other jurisdiction code (See instructions).....	41							
42. Balance of Tax (Subtract Line 41 from Line 40).....	42		1	0	1	1	0	0
43. Sheltered Workshop Tax Credit.....	43							
44. Balance of Tax after Credit (Subtract Line 43 from Line 42).....	44		1	0	1	1	0	0
45. Use Tax Due on Internet, Mail-Order, or Other Out-of-State Purchases (See Worksheet and instructions) If no Use Tax, enter ZERO (0.00).....	45					0	0	0
46. Penalty for Underpayment of Estimated Tax. Fill in <input type="radio"/> if Form NJ-2210 is enclosed.....	46							
47. Total Tax and Penalty (Add Lines 44, 45, and 46).....	47		1	0	1	1	0	0
48. Total New Jersey Income Tax Withheld (From enclosed Forms W-2 and 1099).....	48		1	5	3	9	0	0
49. Property Tax Credit (See instructions).....	49	3	7	5	0			
50. New Jersey Estimated Tax Payments/Credit from 2016 tax return.....	50			1	5	0	0	0
51. New Jersey Earned Income Tax Credit (See instructions)..... Fill in <input type="radio"/> Fill in oval if you had the IRS figure your federal earned income credit only one <input type="radio"/> Fill in oval if you are a CU couple claiming the NJ Earned Income Tax Credit <input type="radio"/>	51							
52. EXCESS New Jersey UI/WF/SWF Withheld (See instructions) (Enclose Form NJ-2450).....	52							
53. EXCESS New Jersey Disability Insurance Withheld (See instructions) (Enclose Form NJ-2450).....	53							
54. EXCESS New Jersey Family Leave Insurance Withheld (See instructions) (Enclose Form NJ-2450).....	54							
55. Total Payments/Credits (Add Lines 48 through 54).....	55		1	7	2	6	5	0
56. If Line 55 is LESS THAN Line 47, enter AMOUNT YOU OWE..... Fill in <input type="radio"/> if paying by e-check or credit card. If you owe tax, you may make a donation by entering an amount on Lines 59, 60, 61, 62, 63, and/or 64 and adding this to your payment amount.	56							
57. If Line 55 is MORE THAN Line 47, enter OVERPAYMENT..... Deductions from Overpayment on Line 57 which you elect to credit to:	57			7	1	5	5	0
58. Your 2017 tax.....	58			2	0	0	0	0
59. N.J. Endangered Wildlife Fund..... <input type="checkbox"/> \$10 <input type="checkbox"/> \$20 <input type="checkbox"/> Other	59							
60. N.J. Children's Trust Fund To Prevent Child Abuse..... <input type="checkbox"/> \$10 <input type="checkbox"/> \$20 <input type="checkbox"/> Other	60							
61. N.J. Vietnam Veterans' Memorial Fund..... <input type="checkbox"/> \$10 <input type="checkbox"/> \$20 <input type="checkbox"/> Other	61							
62. N.J. Breast Cancer Research Fund..... <input type="checkbox"/> \$10 <input type="checkbox"/> \$20 <input type="checkbox"/> Other	62							
63. U.S.S. New Jersey Educational Museum Fund..... <input type="checkbox"/> \$10 <input type="checkbox"/> \$20 <input type="checkbox"/> Other	63							
64. Other Designated Contribution..... <input type="checkbox"/> \$10 <input type="checkbox"/> \$20 <input type="checkbox"/> Other (See instructions)	64							
65. Total Deductions from Overpayment (Add Lines 58 through 64).....	65			2	0	0	0	0
66. REFUND (Amount to be sent to you. Subtract Line 65 from Line 57).....	66			5	1	5	5	0

ENTER
AMOUNT
OF
CONTRIBUTION

SIGN YOUR RETURN ON PAGE 1

Worksheet G – Property Tax Deduction/Credit

Review the eligibility requirements before completing Worksheet G. Part-year residents, see instructions.

Complete both columns of this worksheet to find out whether the deduction or the credit is better for you.

1. **Property Tax.** Enter the Property Taxes from Line 37a of Form NJ-1040.
Senior Freeze (Property Tax Reimbursement) applicants, do not enter the amount from Line 37a. (See instructions.) 1. 1,215
2. **Property Tax Deduction.** Is the amount on line 1 of this worksheet \$10,000 or more (\$5,000 or more if you and your spouse file separate returns but maintained the same principal residence)?
 - Yes. Enter \$10,000 (\$5,000 if you and your spouse file separate returns but maintained the same principal residence).
 - No. Enter the amount from line 1.
 Also enter the amount from this line on line 4, column A below. (See instructions.) 2. 1,215

STOP — if you are claiming a credit for taxes paid to other jurisdictions.
Complete only lines 1 and 2. Then complete Schedule A and Worksheet J. (See instructions.)

3. Taxable Income (From Line 36 of Form NJ-1040).....
4. Property Tax Deduction (From line 2 of this worksheet)
5. Taxable Income After Property Tax Deduction (Subtract line 4 from line 3)
6. Tax you would pay on line 5 amount (From Tax Table/Tax Rate Schedules)
7. Subtract line 6, column A from line 6, column B and enter the result here

Column A		Column B	
3.	58,410	3.	58,410
4.	1,215	4.	- 0 -
5.	57,195	5.	58,410
6.	981	6.	1,011
		7.	30

8. **Is the line 7 amount \$50 or more (\$25 if you and your spouse file separate returns but maintained the same principal residence)?**
 - Yes. You receive a greater benefit by taking the Property Tax Deduction. Make the following entries on Form NJ-1040.

<i>Form NJ-1040</i> Line 38 Line 39 Line 40 Line 49	Enter amount from: Line 4, column A Line 5, column A Line 6, column A Make no entry
---	---
 - No. You receive a greater benefit from the Property Tax Credit. (**Part-year residents**, see instructions before answering "No.") Make the following entries on Form NJ-1040.

<i>Form NJ-1040</i> Line 38 Line 39 Line 40 Line 49	Enter amount from: Make no entry Line 5, column B Line 6, column B \$50 (\$25 if you and your spouse file separate returns but maintained the same principal residence). Part-year residents , see instructions.
---	---

(Keep for your records)

For More Information

Online

- Division of Taxation [website](#);
- [Email](#) general State tax questions.
Do not include confidential information such as Social Security or federal tax identification numbers, liability or payment amounts, dates of birth, or bank account numbers in your email;
- Subscribe to [NJ Tax E-News](#), the Division of Taxation’s online information service.

By Phone

- Call the Division of Taxation’s Customer Service Center at **609-292-6400**;

- Text Telephone Service (TTY/TDD) for Hearing-Impaired Users: **1-800-286-6613** (toll-free within NJ, NY, PA, DE, and MD) or **609-984-7300**. These numbers are accessible *only* from TTY devices. Submit a text message on any New Jersey tax matter and receive a reply through NJ Relay Services (711).

In Person

Visit a New Jersey Division of Taxation Regional Information Center. For the address of the center nearest you, visit our [website](#) or call the Automated Tax Information System at 1-800-323-4400.

Forms and Publications

- Visit the Division of Taxation's website for [forms](#) and [publications](#);
- Call the Forms Request System at **1-800-323-4400** (within NJ, NY, PA, DE, and MD) or **609-826-4400** (touch-tone phones only) to have printed forms or publications mailed to you. **NOTE:** Due to budgetary constraints, supplies are limited and only certain forms and publications can be ordered through this system.