



Part-Year Residents

Bulletin GIT-6

Contents

<u>Introduction</u>	1
<u>Definitions</u>	2
<u>Filing Requirements</u>	3
<u>Filing Status Considerations</u>	6
<u>How Residents and</u>	
<u>Nonresidents Are Taxed</u>	7
<u>Completing a Part-Year</u>	
<u>Resident Return</u>	9
<u>Completing a Part-Year</u>	
<u>Nonresident Return</u>	18
<u>Example: Part-Year Resident/Part-Year</u>	
<u>Nonresident Return Completion</u>	24

Important

- *The New Jersey gross income tax rates for 2010 and after have reverted to the rates that were in effect for 2008. (For tax year 2009 only, rates were increased on income over \$400,000.)*
- *Eligibility for the property tax deduction is not limited by income for tax year 2010, and the maximum deduction is \$10,000 for all filers as it was in 2008.*
- *Eligible senior/disabled homeowners and tenants (of New Jersey) who are not required to file a New Jersey return can use Form NJ-1040-H to apply for a property tax credit only.*
- *The percentage used to calculate the New Jersey earned income tax credit (NJEITC) is 20% of the Federal benefit for tax year 2010 and thereafter.*
- *Any reference in this bulletin to a spouse also refers to a partner in a civil union (CU) recognized under New Jersey law.*

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 2010. Thus, 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 [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 place of abode 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 place of abode 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/CU partners 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 place of abode in New Jersey; and
2. You did maintain a permanent place of abode outside of 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 any place you regard as your permanent home—the place to which you intend to return after a period of absence (e.g., vacation abroad, business assignment, educational leave, etc.). You have only one domicile, although you may have more than one place to live. Once established, your domicile continues until you move to a new location with the intent to establish a fixed and permanent home there. 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.

Domicile is based on many factors, including your intent, where you register to vote, maintain a driver's license and vehicle registration, have family ties, etc. *You can have only one domicile at a time.* The burden of proof is upon 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.

Permanent place of abode 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/civil union partner owns or leases.

A residence, whether inside or outside of 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 place of abode.

If New Jersey is your domicile, you will be considered a resident for New Jersey tax purposes *unless* you meet all three conditions for nonresident status. See [Full-Year Nonresident](#) on page 2. Likewise, if New Jersey is not your domicile, you will be considered a New Jersey resident only if you maintain a *permanent* place of abode in New Jersey 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 a person 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” chart in either the resident (Form NJ-1040) or nonresident (Form NJ-1040NR) return booklet.

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

The period covered by your return will be twelve months (full-year return) or less than twelve 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 will *also* 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. Mary Smith was a New Jersey resident from January 1 through December 31. She files a “full-year” resident return which shows income received during the twelve-month period January–December.
2. Harry and Louise Evans 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](#) on page 6.

3. Jane 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. Adam 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. Adam must file two New Jersey income tax returns: (1) a “part-year” resident return which shows the income he received during the three months he was a New Jersey resident and (2) a “part-year” nonresident return which shows his income during the period he was a nonresident of New Jersey.

Residency Status and Income

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 \$20,000 (\$10,000 if filing status is single or married/CU partner, filing separate return.*
- *You are not required to 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 \$20,000 or less (\$10,000 or less if filing status is single or married/CU partner, filing separate return).*

NOTE: If you are a full-year resident and your income is below the amount at which you would be required to file a tax return, you must file Form NJ-1040 (or file electronically using NJ Webfile or approved vendor software) to claim a refund of income tax withheld or estimated payments made. You must also file a return to receive a New Jersey earned income tax credit even if you have no tax liability to 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 \$20,000 (\$10,000 if filing status is single or married/CU partner, filing separate return) 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 \$20,000 (\$10,000 if filing status is single or married/CU partner, filing separate return), even if the income you reported on your part-year return for the period of New Jersey residency was \$20,000 or less (\$10,000 or less if filing status is single or married/CU partner, filing separate return).

No New Jersey income tax is due if the income you received during the entire year was \$20,000 or less (\$10,000 or less if filing status is single or married/CU partner, filing separate return). If your gross income was \$20,000 or less (\$10,000 or less if filing status is single or married/CU partner, filing separate return), 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 \$20,000 or less (\$10,000 or less if filing status is single or married/CU partner, filing separate return).

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](#) on page 6.

Examples

1. During 2010, Jane Hanson, single, was a resident of California for ten 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. Jane 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 \$10,000.
2. Martha Gibson, single, was a New Jersey resident from January through September 2010, 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. Martha is not required to file a New Jersey part-year resident 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 \$10,000 or less. However, Martha must file a return to claim any refund of New Jersey income tax that was either withheld or remitted through estimated payments. When she files her 2010 New Jersey return, Martha must enclose a copy of her Federal income tax return or, if no Federal return is filed, a statement certifying that her income for the year was \$10,000 or less.

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 \$20,000 (\$10,000 if filing status is single or married/CU partner, filing separate return) and you received any amount of income from New Jersey sources during the year.
- *You are not required to file a full-year nonresident return* if you were a nonresident for the entire year and your gross income from all sources (both inside and outside New Jersey)

was \$20,000 or less (\$10,000 or less if filing status is single or married/CU partner, filing separate return).

NOTE: If you are a full-year nonresident and your income is below 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 \$20,000 (\$10,000 if filing status is single or married/CU partner, filing separate return) 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](#) on page 4.

- *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 \$20,000 (\$10,000 if filing status is single or married/CU partner, filing separate return)

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 \$20,000 or less (\$10,000 or less if filing status is single or married/CU partner, filing separate return). If your gross income was \$20,000 or less (\$10,000 or less if filing status is single or married/CU partner, filing separate return) and you are filing 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, 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 \$20,000 or less (\$10,000 or less if filing status is single or married/CU partner, filing separate return).

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

Filing Status Considerations

Spouse/Civil Union Partner 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 you 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 must also file a joint New Jersey income tax return. If spouses file separate Federal returns, separate State returns must also be filed. However, if you are a civil union couple, your filing status for New Jersey will not match your Federal filing status for the year.

- *One spouse/civil union partner New Jersey resident, other spouse/civil union partner nonresident for entire year.* If during the entire taxable year one spouse/civil union partner was a resident and the other a nonresident, separate New Jersey returns may be filed (the resident files a resident return and the nonresident files a nonresident return), even if the couple files a joint Federal return. The resident computes income and exemptions as if a Federal married, filing separate return had been filed. The spouses/civil union partners 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/civil union partners were nonresidents of New Jersey during the entire taxable year and only one earned, received, or acquired income from New Jersey sources, the one who had income from New Jersey sources may file a separate New Jersey return, even if a joint Federal return was filed. The one with income from New Jersey sources computes income and exemptions as if a Federal married, filing separate return had

been filed. The married/civil union 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 [instructions for Form NJ-1040NR](#).

Remember: *A nonresident return must be filed if you received any amount of 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 \$20,000 (\$10,000 if filing status is single or married/CU partner, filing separate return).*

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 of New Jersey. As a part-year New Jersey resident you must report on your resident return all the income you received during the period of 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/civil union partners.

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 in or out of New Jersey; gain from the sale of property both in and out of New Jersey; net gambling winnings, including New Jersey lottery winnings from prize amounts exceeding \$10,000; net profits from business, regardless of where the business is located; etc.

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](#) on page 9.

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, and in the second column, list only income that was derived from New Jersey sources.

Pennsylvania residents see [page 19](#).

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 income tax return.

In addition, beginning with tax year 2009, Federal legislation (Military Spouses Residency Relief Act, P.L. 111-97) allows a military service member’s nonmilitary spouse/civil union partner who meets certain requirements to keep a tax domicile while moving from state to state. Under the Act, a qualified nonmilitary spouse/civil union partner is considered a nonresident and is *not* subject to New Jersey gross income tax on income (wages) earned from services performed in New Jersey. A nonresident civilian spouse/civil union partner is, however, subject to tax on all other types of income earned from New Jersey sources.

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 computed on your income from all sources as if you were a New Jersey resident, and then prorated according to the ratio that your New Jersey income bears to your income from both inside and outside New Jersey. 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	<input style="width: 20px; height: 20px;" type="text"/> <input style="width: 20px; height: 20px;" type="text"/>	/	<input style="width: 20px; height: 20px;" type="text"/> <input style="width: 20px; height: 20px;" type="text"/>	To	<input style="width: 20px; height: 20px;" type="text"/> <input style="width: 20px; height: 20px;" type="text"/>	/	<input style="width: 20px; height: 20px;" type="text"/> <input style="width: 20px; height: 20px;" type="text"/>	<input style="width: 20px; height: 20px;" type="text"/> <input style="width: 20px; height: 20px;" type="text"/>
----------------------------	---	------	---	---	---	----	---	---	---	---

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, 2010, to July 21, 2010, 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	<input style="width: 20px; height: 20px;" type="text"/>					
15a. Taxable interest income (See instructions) (Enclose Federal Schedule B if over \$1,500)	15a	<input style="width: 20px; height: 20px;" type="text"/>					
15b. Tax-exempt interest income (See instructions)..... (Enclose Schedule) DO NOT include on Line 15a	15b	<input style="width: 20px; height: 20px;" type="text"/>					
16. Dividends	16	<input style="width: 20px; height: 20px;" type="text"/>					
17. Net profits from business (Enclose copy of Federal Schedule C, Form 1040).....	17	<input style="width: 20px; height: 20px;" type="text"/>					
18. Net gains or income from disposition of property (Schedule B, Line 4).....	18	<input style="width: 20px; height: 20px;" type="text"/>					
19. Pensions, Annuities, and IRA withdrawals (See instructions).....	19	<input style="width: 20px; height: 20px;" type="text"/>					
20. Distributive Share of Partnership Income (See instructions) (Enclose Schedule).....	20	<input style="width: 20px; height: 20px;" type="text"/>					
21. Net pro rata share of S Corporation Income (See instructions) (Enclose Schedule).....	21	<input style="width: 20px; height: 20px;" type="text"/>					
22. Net gain or income from rents, royalties, patents & copyrights	22	<input style="width: 20px; height: 20px;" type="text"/>					
(Schedule C, Line 3)							
23. Net Gambling Winnings (See instructions)	23	<input style="width: 20px; height: 20px;" type="text"/>					
24. Alimony and separate maintenance payments received	24	<input style="width: 20px; height: 20px;" type="text"/>					
25. Other (Enclose Schedule) (See instructions).....	25	<input style="width: 20px; height: 20px;" type="text"/>					

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).

unable to receive Social Security or Railroad Retirement benefits. *Do not* complete Worksheet D in the NJ-1040 instruction booklet 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 at Line 27a, you may be able to use the unclaimed pension exclusion at Line 27b provided total income for the entire year before subtracting any pension exclusion was \$100,000 or less.

Part II. If you are unable to receive Social Security or Railroad Retirement benefits, but would have been eligible for benefits had you fully participated in either program, you may also 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/civil union partner file a joint return and only one of you is 62 or older or disabled, you may claim the full amount of the prorated exclusion. However, only the income of the one who is age 62 or older or disabled may 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. Total Exemptions and Deductions (Add Lines 29, 30, 31, 32, and 33).....	34					,					.		
35. Taxable Income (Subtract Line 34 from Line 28)..... If zero or less, MAKE NO ENTRY.	35					,					.		

4. Exemptions. You must prorate the exemption allowance amount based upon 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 = _____
 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 may 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 instruction booklet](#) (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 may 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 may 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).* Eligible taxpayers engaged in providing “primary care” medical and/or dental services at a qualified practice located in or within five miles of a designated Health Enterprise

Zone (HEZ) may qualify for a deduction. For information on eligibility requirements and how to calculate the HEZ deduction, see Technical Bulletin [TB-56](#), *Health Enterprise Zones*.

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.

36a. Total Property Taxes Paid (See instructions).....

36a									
-----	--	--	--	--	--	--	--	--	--

36b. Fill in oval if you were a New Jersey homeowner on October 1, 2010

36c. Property Tax Deduction (See instructions).....

36c							
-----	--	--	--	--	--	--	--

Worksheet F – Property Tax Deduction/Credit

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

Complete both columns of this worksheet to find out whether the Property Tax Deduction or the Credit is better for you. If you claim a credit for taxes paid to other jurisdictions, complete only lines 1 and 2 of this worksheet. Then complete Schedule A and Worksheet H.

1. **Property Tax.** Enter the property taxes you paid in 2010 from Line 36a of Form NJ-1040. Property tax reimbursement (Senior Freeze) applicants do not enter the amount from Line 36a. **See instructions.** 1. _____
2. **Property Tax Deduction.** Enter the amount from line 1 of this worksheet or \$10,000, whichever is less. (Lesser of line 1 or \$5,000 if you and your spouse/CU partner file separate returns but maintain the same principal residence.) Also enter this amount on line 4, column A below. See instructions. 2. _____

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 H. See instructions.

3. Taxable Income (Copy from Line 35 of Form NJ-1040)
4. Property Tax Deduction (Copy 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.		3.	
4.		4.	- 0 -
5.		5.	
6.		6.	
7.		7.	

8. **Is the line 7 amount \$50 or more (\$25 if you and your spouse/civil union partner file separate returns but maintain the same principal residence)?**

- Yes.** You receive a greater tax benefit by taking the Property Tax Deduction. Make the following entries on Form NJ-1040.
- | | |
|--|--|
| <i>Form NJ-1040</i>
Line 36c
Line 37
Lines 38 and 39
Line 48 | <i>Enter amount from:</i>
Line 4, column A
Line 5, column A
Line 6, column A
Make no entry |
|--|--|
- No.** You receive a greater tax 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 36c
Line 37
Lines 38 and 39
Line 48 | <i>Enter amount from:</i>
Make no entry
Line 5, column B
Line 6, column B
\$50 (\$25 if you and your spouse/civil union partner file separate returns but maintain the same principal residence). Part-year residents , see instructions. |
|--|--|

(Keep for your records)

6. Total Property Taxes Paid (Line 36a). Enter the property taxes, or rent constituting property taxes (18% of rent), due and paid on your qualified principal residence during your period of residency in New Jersey.

Homeowner on October 1, 2010 (Line 36b). If you owned and occupied a home in New Jersey that was your principal residence on October 1, 2010, and property

taxes were paid on that dwelling, fill in the oval on this line. Do not fill in the oval if, on October 1, 2010, you were a tenant or you were not a homeowner.

Property Tax Deduction/Credit (Line 36c/Line 48). 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 F to determine the amount of your property tax deduction and whether you should elect to take the property tax deduction on Line 36c, Form NJ-1040 or the property tax credit on Line 48. If you claim credit for taxes paid to another jurisdiction, first complete lines 1 and 2 of Worksheet F and then complete Schedule A and Worksheet H to make this determination. Enter on line 1 of Worksheet F the amount of property taxes or 18% of rent due and paid during your period of residency from Line 36a, 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/civil union partner file separate returns but occupy 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 F based on this prorated amount rather than the minimum benefit amount. You will then be able to determine whether you will receive a greater tax 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 Bulletin [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](#).

41. Balance of Tax (Subtract Line 40 from Line 39).....	41								
42. Sheltered Workshop Tax Credit.....	42								
43. Balance of Tax after Credit (Subtract Line 42 from Line 41).....	43								

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.

47. Total New Jersey Income Tax Withheld (From enclosed Forms W-2 and 1099).....	47								
48. Property Tax Credit (See instructions).....					48				
49. New Jersey Estimated Tax Payments/Credit from 2009 tax return.....	49								
50. New Jersey Earned Income Tax Credit (See instructions)..... Fill in Fill in oval if you had the IRS figure your Federal Earned Income Credit only one Fill in oval if you are a CU couple claiming the NJ Earned Income Tax Credit					50				
51. EXCESS New Jersey UI/WF/SWF Withheld (See instructions) (Enclose Form NJ-2450)					51				
52. EXCESS New Jersey Disability Insurance Withheld (See instructions) (Enclose Form NJ-2450)					52				
53. EXCESS New Jersey Family Leave Insurance Withheld (See instructions) (Enclose Form NJ-2450)					53				
54. Total Payments/Credits (Add Lines 47 through 53).....	54								

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

(a) *Line 47.* 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 on the W-2.

(b) *Line 48.* If you are claiming a property tax credit rather than a property tax deduction, enter the amount of your prorated credit.

(c) *Line 49.* 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 amounts, if any, paid to qualify for an extension of time to file.

Worksheet G	
Earned Income Tax Credit	
1. Enter the amount of your Federal earned income credit from your 2010 Federal Form 1040 or Form 1040A	1. _____
Fill in the first oval below Line 50 if you asked the IRS to calculate your Federal earned income credit. Civil union couples, see instructions.	
2. Enter 20% of amount on line 1 here and on Line 50, Form NJ-1040. Part-year residents, see instructions.	2. _____
(Keep for your records)	

9. New Jersey Earned Income Tax Credit (Line 50). Most residents who are eligible and file for a Federal earned income credit can also receive a New Jersey credit in the amount equal to 20% of the Federal benefit. Complete Worksheet G to calculate the amount for Line 50, 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 below the minimum income threshold (see [Part-Year Residents](#) on page 4).

NOTE: If your filing status is married/CU partner, filing separate return, you may not claim a New Jersey earned income tax credit.

If you asked the Internal Revenue Service to calculate your Federal earned income credit, be sure to fill in the first oval below Line 50, Form NJ-1040. (Civil union couples should

not fill in this oval even if one or both of you are eligible for a Federal credit and asked the IRS to calculate the amount. See the instructions for Civil Union Couples below.) The IRS will provide information to the Division of Taxation in October 2011. 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 New Jersey return and wish 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, if any, 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 G to calculate your New Jersey credit. Be sure to fill in only the second oval below Line 50 indicating you are a civil union couple.

PRORATING THE NEW JERSEY EARNED INCOME TAX CREDIT:

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

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)		
* You must enter your SSN(s) above * State of Residency (outside NJ)	City, Town, Post Office	State	
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 7. Age 65 or Over <input type="checkbox"/> Yourself <input type="checkbox"/> Spouse/CU Partner 8. Blind or Disabled <input type="checkbox"/> Yourself <input type="checkbox"/> Spouse/CU Partner 9. Number of your qualified dependent children 10. Number of other dependents 11. Dependents attending colleges 12. Totals (For Line 12a—Add Lines 6, 7, 8, and 11) (For Line 12b—Add Line 9 and Line 10)	6 7 8 9 10 11 12a 12b

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, 2010, to December 31, 2010, you were a nonresident for nine months. See [Exemptions](#) on page 21.

	(Column A) AMOUNT OF GROSS INCOME (EVERYWHERE)			(Column B) AMOUNT FROM NEW JERSEY SOURCES		
14. Wages, salaries, tips, and other employee compensation	14			14		
15. Interest	15			15		
16. Dividends.....	16			16		
17. Net profits from business (Enclose copy of Federal Schedule C, Form 1040).....	17			17		
18. Net gains or income from disposition of property (From Line 59)	18			18		
19. Net gains or income from rents, royalties, patents, and copyrights (From Line 62).....	19			19		
20. Net gambling winnings (See Instructions)	20			20		
21. Pensions, Annuities, and IRA Withdrawals.....	21					
22. Distributive Share of Partnership Income.....	22			22		
23. Net pro rata share of S Corporation Income	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			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 instructions in the nonresident return instruction booklet 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 exceed 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.

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 before subtracting any pension exclusion, 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 [page 10](#) for a description of how to prorate the pension exclusion amount.

NOTE: When you and your spouse/civil union partner file a joint return and only one of you is 62 or older or disabled, you may claim the full amount of the prorated exclusion. However, only the income of the one who is age 62 or older or disabled may 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/civil union partner if filing jointly) were 62 years of age 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 are unable to receive Social Security or Railroad Retirement benefits. *Do not* complete Worksheet D in the NJ-1040NR instruction booklet 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 at Line 27a, you may be able to use the unclaimed pension exclusion at 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 are unable to receive Social Security or Railroad Retirement benefits, but would have been eligible for benefits had you fully participated in either program, you may also 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/civil union partner file a joint return and only one of you is 62 or older or disabled, you may claim the full amount of the prorated exclusion. However, only the income of the one who is age 62 or older or disabled may 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. Total Exemptions and Deductions (Add Lines 30, 31, 32, 33, and 34).....	35		
36. TAXABLE INCOME (Subtract Line 35 from Line 29, Column A).....	36		

4. Exemptions. You must prorate the exemption allowance amount based upon 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 = _____
 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 may 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 instruction booklet](#) (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 may 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 may 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).* Eligible taxpayers engaged in providing “primary care” medical and/or dental services at a qualified practice located in or within five miles of a designated Health Enterprise Zone (HEZ) may qualify for a deduction. For information on eligibility requirements and how to calculate the HEZ deduction, see Technical Bulletin [TB-56](#), *Health Enterprise Zones*.

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.

39. NEW JERSEY TAX (Multiply amount from Line 37 _____ x _____ % on Line 38).....	39			
40. Sheltered Workshop Tax Credit.....	40			
41. Balance of Tax after Credit (Subtract Line 40 from Line 39)	41			

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.

44. Total New Jersey Income Tax Withheld (From enclosed Forms W-2 and 1099)	44			
45. New Jersey Estimated Tax Payments/Credit from 2009 tax return	45			
46. Tax paid on your behalf by Partnership(s).....	46			
47. EXCESS NJ UI/WF/SWF Withheld (Enclose Form NJ-2450. See instructions).....	47			
48. EXCESS NJ Disability Insurance Withheld (Enclose Form NJ-2450. See instructions).....	48			
49. EXCESS NJ Family Leave Insurance Withheld (Enclose Form NJ-2450. See instructions).....	49			
50. Total Payments/Credits (Add Lines 44 through 49).....	ENTER TOTAL →			50

7. Tax Withheld/Estimated Payments.

(a) *Line 44.* 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 45.* 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 amounts, if any, paid to qualify for an extension of time to file.

PART III	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.)	
63.	Amount reported on Line 14 in Column A required to be allocated	63	
64.	Total days in taxable year	64	
65.	Deduct nonworking days (Sundays, Saturdays, holidays, sick leave, vacation, etc.)	65	
66.	Total days worked in taxable year (Subtract Line 65 from Line 64)	66	
67.	Deduct days worked outside New Jersey	67	
68.	Days worked in New Jersey (Subtract Line 67 from Line 66)	68	
69.	ALLOCATION FORMULA	$\frac{\text{(Line 68)}}{\text{(Line 66)}} \times \frac{\text{(Enter amount from Line 63)}}{\text{(Salary earned inside N.J.)}} = \text{(Include this amount on Line 14, Col. B)}$	

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 derived from New Jersey. For purposes of completing this section, “total days” on Line 64 means the number of days covered by your part-year return. Complete Lines 63–69 accordingly.

Example A

Part-Year Resident/Part-Year Nonresident

- John Perry, age 35, and Joan Perry, age 32, are married and file a joint Federal return. They have two dependents: their one-year-old son and Mr. Perry'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.
- Husband worked for the same employer in New Jersey all year; wages for the year, \$72,000.
- Wife's wages for part-time job from September to December, \$3,000.
- 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. Perry and \$52 for Mrs. Perry.
- 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 2010 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) Perry, John and Joan		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) 123 Elm St.		
You must enter your SSN(s) above	City, Town, Post Office Montclair	State NJ	

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 04-01-10 To 12-31-10
MONTH DAY YEAR MONTH DAY YEAR

Filing Status (Check only ONE box) 1. <input type="checkbox"/> Single 2. <input checked="" 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 checked="" type="checkbox"/> Spouse/CU Partner <input type="checkbox"/> Domestic Partner	6	2		
		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	1
		10. Number of other dependents			10	1
		11. Dependents attending colleges	11			
		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

DEPENDENTS	13. Dependent's Last Name, First Name, Middle Initial	Dependent's Social Security Number		Birth Year
	a Perry, Jake	999 / 52 / 0222	2009	
	b Perry, Mary	999 / 36 / 8819	1943	
	c _____	/ /		
	d _____	/ /		

GUBERNATORIAL ELECTIONS FUND Do you wish to designate \$1 of your taxes for this fund? Yes No
If joint return, does your spouse/CU partner wish to designate \$1? Yes No Note: If you check the "Yes" box(es), it will not increase your tax or reduce your refund.

	(Column A) AMOUNT OF GROSS INCOME (EVERYWHERE)		(Column B) AMOUNT FROM NEW JERSEY SOURCES	
14. Wages, salaries, tips, and other employee compensation	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 (Enclose copy of Federal Schedule C, Form 1040)	17		17	
18. Net gains or income from disposition of property (From Line 59)	18	700 00	18	0
19. Net gains or income from rents, royalties, patents, and copyrights (From Line 62)	19		19	
20. Net gambling winnings (See Instructions)	20	75 00	20	0
21. Pensions, Annuities, and IRA Withdrawals	21			
22. Distributive Share of Partnership Income	22		22	
23. Net pro rata share of S Corporation Income	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			
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)		
56. 200 shs. ABC Corp.	2-15-09	3-1-10	3500 00	2800 00	700	00	
57. Capital Gains Distribution.....					57		
58. Other Net Gains					58		
59. Net Gains (Add Lines 56, 57, and 58) (Enter here and on Line 18) (If Loss, enter ZERO).....					59	700 00	
PART II		NET GAINS OR INCOME FROM RENTS, ROYALTIES, PATENTS AND COPYRIGHTS		List the net gains or net income, less net loss, derived from or in the form of rents, royalties, patents, and copyrights as reported on your Federal Income Tax Return.			
(a) Kind of property	(b) Net Rental Income (Loss)	(c) Net Income From Royalties	(d) Net Income From Patents	(e) Net Income From Copyrights			
60.							
61. Totals	(b)	(c)	(d)	(e)			
62. Net Income (Combine Columns b, c, d, and e) (Enter here and on Line 19) (If Loss, enter ZERO).....					62		
PART III		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.)			
63. Amount reported on Line 14 in Column A required to be allocated.....					63		
64. Total days in taxable year.....					64		
65. Deduct nonworking days (Sundays, Saturdays, holidays, sick leave, vacation, etc.).....					65		
66. Total days worked in taxable year (Subtract Line 65 from Line 64)					66		
67. Deduct days worked outside New Jersey					67		
68. Days worked in New Jersey (Subtract Line 67 from Line 66)					68		
69. ALLOCATION FORMULA	(Line 68) _____ (Line 66)	×	_____ (Enter amount from Line 63)	=	_____ (Salary earned inside N.J.)	(Include this amount on Line 14, Col. B)	
PART IV		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. _____	\$ _____	×	_____	%	= \$ _____		

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
15a. Taxable interest income (See instructions) (Enclose Federal Schedule B if over \$1,500)	15a					4		8	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
17. Net profits from business (Enclose copy of Federal Schedule C, Form 1040).....	17												
18. Net gains or income from disposition of property (Schedule B, Line 4).....	18												
19. Pensions, Annuities, and IRA Withdrawals (See instructions).....	19												
20. Distributive Share of Partnership Income (See instructions) (Enclose Schedule).....	20												
21. Net pro rata share of S Corporation Income (See instructions) (Enclose Schedule).....	21												
22. Net gain or income from rents, royalties, patents & copyrights (Schedule C, Line 3).....	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, and 16 through 25).....	26					6	2	1	6	0		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	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. Total Exemptions and Deductions (Add Lines 29, 30, 31, 32, and 33).....	34						3	7	5	0		0	0
35. Taxable Income (Subtract Line 34 from Line 28) If zero or less, MAKE NO ENTRY.....	35					5	8	4	1	0		0	0
36a. Total Property Taxes Paid (See instructions).....	36a				1	2	1	5	0	0			
36b. Fill in oval if you were a New Jersey homeowner on October 1, 2010.....													
36c. Property Tax Deduction (See instructions)	36c												
37. NEW JERSEY TAXABLE INCOME (Subtract Line 36c from Line 35) If zero or less, MAKE NO ENTRY.....	37					5	8	4	1	0		0	0
38. Tax (From Tax Table)	38					1		0	1	1		0	0

39. TAX (From Line 38, page 2)		39			1	,	0	1	1	.	0	0
40. Credit For Income Taxes Paid to Other Jurisdictions Enter other jurisdiction code (See instructions)	<input type="text"/>	40				,				.		
41. Balance of Tax (Subtract Line 40 from Line 39).....		41			1	,	0	1	1	.	0	0
42. Sheltered Workshop Tax Credit.....		42				,				.		
43. Balance of Tax after Credit (Subtract Line 42 from Line 41).....		43			1	,	0	1	1	.	0	0
44. Use Tax Due on Out-of-State Purchases (See instructions)..... If no Use Tax, enter ZERO (0.00).		44				,			0	.	0	0
45. Penalty for Underpayment of Estimated Tax. Fill in <input type="radio"/> if Form NJ-2210 is enclosed.....		45				,				.		
46. Total Tax and Penalty (Add Lines 43, 44, and 45).....		46			1	,	0	1	1	.	0	0
47. Total New Jersey Income Tax Withheld (From enclosed Forms W-2 and 1099).....		47			1	,	5	3	9	.	0	0
48. Property Tax Credit (See instructions)						,	48	3	7	.	5	0
49. New Jersey Estimated Tax Payments/Credit from 2010 tax return		49				,	1	5	0	.	0	0
50. New Jersey Earned Income Tax Credit (See instructions) Fill in <input type="checkbox"/> Fill in oval if you had the IRS figure your Federal Earned Income Credit only one Fill in oval if you are a CU couple claiming the NJ Earned Income Tax Credit <input type="radio"/>		50				,				.		
51. EXCESS New Jersey UI/WF/SWF Withheld (See instructions) (Enclose Form NJ-2450).....		51				,				.		
52. EXCESS New Jersey Disability Insurance Withheld (See instructions) (Enclose Form NJ-2450).....		52				,				.		
53. EXCESS New Jersey Family Leave Insurance Withheld (See instructions) (Enclose Form NJ-2450).....		53				,				.		
54. Total Payments/Credits (Add Lines 47 through 53)		54			1	,	7	2	6	.	5	0
55. If Line 54 is LESS THAN Line 46, 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 58, 59, 60, 61, 62, and/or 63 and adding this to your payment amount.		55				,				.		
56. If Line 54 is MORE THAN Line 46, enter OVERPAYMENT..... Deductions from Overpayment on Line 56 which you elect to credit to:		56				,	7	1	5	.	5	0
57. Your 2011 tax.....		57				,	2	0	0	.	0	0
58. N.J. Endangered Wildlife Fund..... <input type="checkbox"/> \$10 <input type="checkbox"/> \$20 <input type="checkbox"/> Other		58				,				.		
59. N.J. Children's Trust Fund To Prevent Child Abuse <input type="checkbox"/> \$10 <input type="checkbox"/> \$20 <input type="checkbox"/> Other		59				,				.		
60. N.J. Vietnam Veterans' Memorial Fund..... <input type="checkbox"/> \$10 <input type="checkbox"/> \$20 <input type="checkbox"/> Other		60				,				.		
61. N.J. Breast Cancer Research Fund <input type="checkbox"/> \$10 <input type="checkbox"/> \$20 <input type="checkbox"/> Other		61				,				.		
62. U.S.S. New Jersey Educational Museum Fund <input type="checkbox"/> \$10 <input type="checkbox"/> \$20 <input type="checkbox"/> Other		62				,				.		
63. Other Designated Contribution..... <input type="checkbox"/> \$10 <input type="checkbox"/> \$20 <input type="checkbox"/> Other See instructions	<input type="text"/>	63				,				.		
64. Total Deductions from Overpayment (Add Lines 57 through 63)		64				,	2	0	0	.	0	0
65. REFUND (Amount to be sent to you. Subtract Line 64 from Line 56).....		65				,	5	1	5	.	5	0

ENTER
AMOUNT
OF
CONTRIBUTION

SIGN YOUR RETURN ON PAGE 1

Worksheet F – Property Tax Deduction/Credit

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

Complete both columns of this worksheet to find out whether the Property Tax Deduction or the Credit is better for you. If you claim a credit for taxes paid to other jurisdictions, complete only lines 1 and 2 of this worksheet. Then complete Schedule A and Worksheet H.

1. **Property Tax.** Enter the property taxes you paid in 2010 from Line 36a of Form NJ-1040. Property tax reimbursement (Senior Freeze) applicants do not enter the amount from Line 36a. **See instructions.** 1. 1,215

2. **Property Tax Deduction.** Enter the amount from line 1 of this worksheet or \$10,000, whichever is less. (Lesser of line 1 or \$5,000 if you and your spouse/CU partner file separate returns but maintain the same principal residence.) Also enter this amount 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 H. See instructions.

- 3. Taxable Income (Copy from Line 35 of Form NJ-1040)
- 4. Property Tax Deduction (Copy 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.		7.	30

8. **Is the line 7 amount \$50 or more (\$25 if you and your spouse/civil union partner file separate returns but maintain the same principal residence)?**

- Yes.** You receive a greater tax benefit by taking the Property Tax Deduction. Make the following entries on Form NJ-1040.

<p><i>Form NJ-1040</i></p> <p>Line 36c</p> <p>Line 37</p> <p>Lines 38 and 39</p> <p>Line 48</p>	<p><i>Enter amount from:</i></p> <p>Line 4, column A</p> <p>Line 5, column A</p> <p>Line 6, column A</p> <p>Make no entry</p>
---	---

- No.** You receive a greater tax benefit from the Property Tax Credit. (**Part-year residents**, see instructions before answering "No.") Make the following entries on Form NJ-1040.

<p><i>Form NJ-1040</i></p> <p>Line 36c</p> <p>Line 37</p> <p>Lines 38 and 39</p> <p>Line 48</p>	<p><i>Enter amount from:</i></p> <p>Make no entry</p> <p>Line 5, column B</p> <p>Line 6, column B</p> <p>\$50 (\$25 if you and your spouse/civil union partner file separate returns but maintain the same principal residence). Part-year residents, see instructions.</p>
---	--

(Keep for your records)

For More Information

By Phone

- Call the Division of Taxation's Customer Service Center at **609-292-6400**.
- Text Telephone Service (TTY/TDD) for Hard-of-Hearing 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 tax matter and receive a reply through NJ Relay Services (711).

Online

- Division of Taxation Web site: www.state.nj.us/treasury/taxation/
- E-mail: nj.taxation@treas.state.nj.us
- Subscribe to *NJ Tax E-News*, the Division of Taxation's online information service, at: www.state.nj.us/treasury/taxation/listservservice.shtml

In Writing

New Jersey Division of Taxation
Information and Publications Branch
PO Box 281
Trenton, NJ 08695-0281

Forms and Publications

- Visit the Division of Taxation's Web site:
Forms — www.state.nj.us/treasury/taxation/forms.shtml
Publications — www.state.nj.us/treasury/taxation/pubs.shtml
- Call NJ TaxFax at **609-826-4500** from your fax machine's phone.
- 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.