



## Instructions for Form 311

### NEIGHBORHOOD REVITALIZATION STATE TAX CREDIT

**Purpose of this Form** - This schedule must be completed by any taxpayer that claims a tax credit as provided for in the Neighborhood Revitalization State Tax Act, N.J.S.A. 52:27D-490 et seq. and N.J.A.C. 5:47 et seq. In order to qualify for this tax credit, the taxpayer must have received a tax credit certificate from the Department of Community Affairs for providing funds to implement a qualified neighborhood preservation and revitalization project. If the taxpayer claims this credit on Form CBT-100, Form CBT-100S or Form BFC-1 a completed Form 311 must be attached to the return to validate the claim.

#### **PART I QUALIFICATIONS**

In order to be eligible for the tax credit, the answer to both questions 1 and 2 must be "YES". If the answer to either question is "NO", the taxpayer is not entitled to the Neighborhood Revitalization State Tax Credit.

A copy of the tax credit certificate issued by the commissioner of the Department of Community Affairs must be attached along with Form 311 to the tax return. Failure to attach this certificate will result in the denial of the tax credit claimed.

#### **PART II CALCULATION OF THE NEIGHBORHOOD REVITALIZATION STATE TAX CREDIT**

The tax credit amount is equal to 50% of the approved assistance provided to DCA to implement a qualified neighborhood preservation and revitalization project. The maximum credit allowed in any taxable year is \$500,000.

#### **PART III CALCULATION OF THE ALLOWABLE CREDIT AMOUNT**

- a) The allowable tax credit for the current return period is calculated in Part III. The amount of this credit in addition to the amount of any other tax credits taken is limited to 50% of the taxpayer's total tax liability and cannot exceed an amount which would reduce the total tax liability below the statutory minimum.
- b) For returns with taxable periods beginning before January 1, 2006, the required minimum tax liability shall be \$500 or the minimum tax shall be \$2,000 for a member of an affiliated group or a controlled group whose group has total payroll of \$5,000,000 or more for the privilege period.

For returns with taxable periods beginning on or after January 1, 2006, the minimum tax is assessed based on the New Jersey Gross Receipts as follows:

New Jersey Gross Receipts	Minimum Tax
Less than \$100,000	\$500
\$100,000 or more but less than \$250,000	\$750
\$250,000 or more but less than \$500,000	\$1,000
\$500,000 or more but less than \$1,000,000	\$1,500
\$1,000,000 or more	\$2,000

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

- c) The priorities set forth in this Corporation Business Tax form follow Regulation N.J.A.C. 18:7-3.17.

#### **UNUSED TAX CREDITS**

There are no carryover provisions for this tax credit. Any unused tax credits are forfeited.

#### **FOR ADDITIONAL INFORMATION CONTACT:**

New Jersey Department of Community Affairs  
Division of Community Resources  
PO Box 811  
101 South Broad Street  
Trenton, NJ 08625  
(609) 633-6286