

**NEW JERSEY CORPORATION BUSINESS TAX
URBAN ENTERPRISE ZONE EMPLOYEES TAX CREDIT
AND CREDIT CARRY FORWARD**

Name as Shown on Return	Federal ID Number	NJ Corporation Number
-------------------------	-------------------	-----------------------

READ THE INSTRUCTIONS ON THE REVERSE SIDE BEFORE COMPLETING THIS FORM.

PART I TAXPAYER AND EMPLOYEE PRELIMINARY QUALIFICATIONS

1. Is the taxpayer certified by the New Jersey Urban Enterprise Zone Authority (in but not of the New Jersey Department of Community Affairs) as a "qualified business" under the Urban Enterprise Zones Act? YES NO
2. Enter your Urban Enterprise Zone city and permit number _____
3. Is the taxpayer in the zone primarily a manufacturing concern or other business which is not retail sales or warehousing oriented? YES NO
4. Was the new employee hired on or after the date that the taxpayer was certified as a "qualified business"? YES NO
5. Was the new employee hired as a full-time, permanent employee in the tax year immediately prior to the tax year for which the credit is claimed? YES NO
6. Was the new employee employed as a full-time permanent employee for at least six continuous months by the taxpayer during the tax year for which the credit is claimed? YES NO
7. Is the total number of full-time, permanent employees employed by the taxpayer in the zone during the calendar year greater than the total number previously employed in the zone during any prior calendar year during the period beginning with the date of zone designation? YES NO

NOTE: IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "NO", DO NOT COMPLETE THE REST OF THIS FORM. THE TAXPAYER DOES NOT QUALIFY FOR THE URBAN ENTERPRISE ZONE EMPLOYEES TAX CREDIT. OTHERWISE, GO TO PART II.

PART II EMPLOYEE QUALIFICATIONS FOR THE \$1500 CREDIT

8. Was the new employee a resident of any qualifying municipality in which a designated zone is located? YES NO
9. Was the new employee immediately prior to employment by the taxpayer either unemployed for at least 90 days or dependent upon public assistance as the primary source of income? YES NO

IF THE ANSWER TO BOTH QUESTIONS 8 AND 9 IS "YES", ENTER THE INFORMATION REQUIRED ON SCHEDULE II ON THE REVERSE SIDE.

IF THE ANSWER TO EITHER QUESTION 8 OR 9 IS "NO", THE TAXPAYER DOES NOT QUALIFY FOR THE \$1500 CREDIT. GO TO PART III TO SEE IF THE TAXPAYER QUALIFIES FOR THE \$500 CREDIT.

PART III EMPLOYEE QUALIFICATIONS FOR THE \$500 CREDIT

10. Was the new employee a resident of any qualifying municipality in which a designated enterprise zone is located? YES NO
11. Was the new employee immediately prior to employment by the taxpayer either unemployed or employed at a location outside of the municipality in which taxpayer's business is located? YES NO

IF THE ANSWER TO BOTH QUESTIONS 10 AND 11 IS "YES", ENTER THE INFORMATION REQUIRED ON SCHEDULE III ON THE REVERSE SIDE. IF NOT, THE TAXPAYER IS NOT ENTITLED TO THE \$500 CREDIT.

PART IV CALCULATION OF THE ALLOWABLE CREDIT AMOUNT

12. \$1500 CREDIT: From Schedule II, Line 5 on reverse side _____ x \$1500	12.	
13. \$500 CREDIT: From Schedule III, Line 5 on reverse side _____ x \$500	13.	
14. Urban Enterprise Zone Employees Tax Credit carried forward from prior tax year	14.	
15. Total Urban Enterprise Zone Employees Tax Credit (Add Lines 12, 13 and 14)	15.	
16. Enter Tax Liability from Page 1, line 9 of CBT-100 or BFC-1, or line 4 of CBT-100S	16.	
17. Enter the required minimum tax liability as indicated in instruction (b) for Part IV	17.	
18. Subtract Line 17 from Line 16	18.	
19. Tax Credits taken on current year's tax return, if applicable:		
a) _____		
b) _____		
c) _____		
d) _____		
Total	19.	
20. Subtract line 19 from line 18. If the result is less than zero, enter zero	20.	
21. Allowable credit for the current tax period - Enter the lesser of Line 15 or Line 20 here and on Schedule A-3 of the CBT-100, the CBT-100S or the BFC-1.	21.	

PART V CALCULATION OF CREDIT CARRY FORWARD

22. Enter amount from Line 15	22.	
23. Enter amount from Line 21, Part IV	23.	
24. Amount of Urban Enterprise Zone Investment Tax Credit Carry Forward to following year's return (Line 22 minus line 23)	24.	

INSTRUCTIONS

PURPOSE OF THIS FORM - This schedule must be completed by any taxpayer who is a certified "qualified business" desiring an employees tax credit and/or credit carry forward as provided for in the "New Jersey Urban Enterprise Zones Act" P.L. 1983, c. 303, as amended by P.L. 1988, c. 93, N.J.S.A. 52:27H-60 et seq. If the taxpayer claims this tax credit on Form CBT-100, Form CBT-100S or Form BFC-1, a completed Form 300 must be attached to the return to validate the claim.

Certification as a "qualified business" must be obtained from the New Jersey Urban Enterprise Zone Authority (in but not of the New Jersey Department of Community Affairs), PO Box 822, Trenton, New Jersey 08625-0820.

The employees tax credit cannot be claimed in the same year that an urban enterprise zone investment tax credit is claimed regardless of whether those credits were earned for the tax year or carried forward from a previous year.

NOTE: Complete only **PARTS IV** and **V** where the full amount of the Urban Enterprise Zone tax credit claimed on the current return is the result of an Urban Enterprise Zone tax credit carried forward from a previous tax year.

PART I TAXPAYER AND EMPLOYEE PRELIMINARY QUALIFICATIONS

The preliminary qualifications must be met by the taxpayer and each employee for which the one-time credit is claimed. If an answer to any one of the questions listed in PART I is "NO", the taxpayer is **NOT** entitled to the employees tax credit. Only employees hired on or after the date on which the taxpayer was certified as a "qualified business" can qualify for the tax credit.

PART II EMPLOYEE QUALIFICATIONS FOR THE \$1500 CREDIT AND

PART III EMPLOYEE QUALIFICATIONS FOR THE \$500 CREDIT

Once the preliminary qualifications have been met in PART I, the taxpayer must complete PART II and/or PART III to determine whether or not the eligible employee(s) qualifies the taxpayer for either the \$1500 or the \$500 employees tax credit. It is **important** to note that an eligible employee may qualify the taxpayer for either the \$1500 credit or the \$500 credit - **never** for both. The employee information required for PART II and PART III must be entered below on Schedule II and Schedule III respectively. Attach a rider if additional space is required.

SCHEDULE II EMPLOYEES QUALIFYING THE TAXPAYER FOR THE \$1500 CREDIT

Enter the required information for each employee meeting the qualifications stated in PART I and PART II.

Social Security Number	Name	Municipality in which the employee resides	Employment Dates	
			From	To
1.				
2.				
3.				
4.				
5. Total number of Employees Qualifying the Taxpayer for \$1500 Credit _____ (Carry to Part IV, Line 12 on reverse side.)				

SCHEDULE III EMPLOYEES QUALIFYING THE TAXPAYER FOR THE \$500 CREDIT

Enter the required information for each employee meeting the qualifications stated in PART I and PART III.

Social Security Number	Name	Municipality in which the employee resides	Employment Dates	
			From	To
1.				
2.				
3.				
4.				
5. Total number of Employees Qualifying the Taxpayer for \$500 Credit _____ (Carry to Part IV, Line 13 on reverse side.)				

PART IV CALCULATION OF THE ALLOWABLE CREDIT AMOUNT

a) The total and allowable Urban Enterprise Zone Employees Tax Credit for the current year is calculated in PART IV. The amount of this credit in addition to the amount of any other tax credits cannot exceed an amount which would reduce the total tax liability below the statutory minimum. Taxpayers claiming multiple credits must list any credits already applied to the tax liability to ensure accuracy of the calculation for maximum credit allowable.

b) The minimum tax is assessed based on the New Jersey Gross Receipts as follows:

New Jersey Gross Receipts	CBT-100	CBT-100S
Less than \$100,000	\$500.00	\$375.00
\$100,000 or more but less than \$250,000	\$750.00	\$562.00
\$250,000 or more but less than \$500,000	\$1,000.00	\$750.00
\$500,000 or more but less than \$1,000,000	\$1,500.00	\$1,125.00
\$1,000,000 or more	\$2,000.00	\$1,500.00

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.

PART V CALCULATION OF CREDIT CARRY FORWARD

Although there is a limitation of the amount of credit allowed in any one tax year, the amount of unused tax credit may be carried forward to a future tax year provided that the tax year falls within a 20 year period beginning with the date of designation of the enterprise zone, or if later, a period of 20 tax years beginning with the date within the designation period upon which the taxpayer is first subject to the "Corporation Business Tax Act (1945)," P.L. 1945, c. 162, N.J.S.A. 54:10A-1 et seq.