

**URBAN ENTERPRISE ZONE INVESTMENT TAX CREDIT  
AND CREDIT CARRY FORWARD**

**2018**

Name as Shown on Return	Federal ID Number	NJ Corporation Number
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**IMPORTANT NOTE:**

This investment tax credit is available only to an approved "Qualified Business" which has made an investment or other expenditure in an Urban Enterprise Zone, which has been made pursuant to an agreement with the governing body of the qualifying municipality which was approved by the New Jersey Urban Enterprise Zone Authority (in but not of the New Jersey Department of Community Affairs). A taxpayer may not claim the investment tax credit or carryover for any year in which it has claimed a new employees tax credit or carryover.

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

**PART I TAXPAYER 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 permit number \_\_\_\_\_
3. Was the taxpayer engaged in the active conduct of a trade or business in the zone for at least one year prior to the zone designation? . . . . .  YES  NO
4. Does the taxpayer employ fewer than 50 full-time, permanent employees? . . . . .  YES  NO
5. Was the investment made pursuant to an agreement with the governing body of the qualifying municipality which was approved by the New Jersey Urban Enterprise Zone Authority (in but not of the New Jersey Department of Community Affairs)? . . . . .  YES  NO

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 INVESTMENT TAX CREDIT, OTHERWISE, GO TO PART II.

**PART II CALCULATION OF THE ALLOWABLE CREDIT AMOUNT**

6. Enter the amount of the approved investment . . . . .	6.	
7. Enter 8% (.08) of the amount on line 6 . . . . .	7.	
8. Investment tax credit carried forward from prior tax year . . . . .	8.	
9. Total investment tax credit (add lines 7 and 8) . . . . .	9.	
10. Enter tax liability from Page 1, line 9 of CBT-100 or BFC-1, or line 4 of CBT-100S . . . . .	10.	
11. Enter the required minimum tax liability as indicated in instruction (b) for Part II . . . . .	11.	
12. Subtract line 11 from line 10 . . . . .	12.	
13. List Tax Credits taken on the current year's tax return, if applicable. a) _____ b) _____ c) _____ d) _____		
Total	13.	
14. Subtract line 13 from line 12. If the result is less than zero, enter zero . . . . .	14.	
15. Allowable credit for the current tax period - Enter the lesser of line 9 or line 14 here and on Schedule A-3 of the CBT-100, the CBT-100S or the BFC-1. . . . .	15.	

**PART III CALCULATION OF CREDIT CARRY FORWARD**

16. Enter amount from line 9 . . . . .	16.	
17. Enter amount from line 15, Part II . . . . .	17.	
18. Amount of Urban Enterprise Zone Investment Tax Credit Carry Forward to following year's return (line 16 minus line 17) . . . . .	18.	

**INSTRUCTIONS**

This schedule must be completed by any taxpayer that is a certified “qualified business” desiring an investment tax credit and/or credit carry forward as provided for in the New Jersey Urban Enterprise Zones Act, N.J.S.A. 52:27H-60 et seq. If the taxpayer claims this credit on Form CBT-100, Form CBT-100S or Form BFC-1, a completed Form 301 must be attached to the return to validate the claim. While not required to claim the credit, proof of investment should be retained by the taxpayer and made available for review upon request.

Certification as a “qualified business” must be obtained from the New Jersey Urban Enterprise Zone Authority (in but not of the Department of Community Affairs), PO Box 822, Trenton, NJ 08625-0820, Telephone (609) 292-1912.

**NOTE:** A qualified business cannot claim an investment tax credit and an employees tax credit in the same year regardless of whether those credits were earned for the tax year or carried forward from a previous tax year.

**PART I TAXPAYER QUALIFICATIONS**

In order to be eligible for the investment tax credit, the taxpayer must meet the requirements contained in the Urban Enterprise Zones Act, N.J.S.A. 52:27H-60 et seq. If an answer to any one of the questions listed in PART I is “NO”, the taxpayer is **NOT** entitled to the investment tax credit.

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**PART II CALCULATION OF ALLOWABLE CREDIT AMOUNT**

- a) The total and allowable Urban Enterprise Zones Investment Tax Credit for the current year is calculated in PART II. The amount of this credit in addition to the amount of any other tax credits taken 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 III CALCULATION OF CREDIT CARRY FORWARD**

Although there is a limitation of the amount of credit allowed in any one tax year, the amount of the unused tax credit may be carried forward to a future tax year provided that that 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. The amount of the investment tax credit carry forward is calculated in PART III.