Column B: Use the following codes to identify the partner’s residency status and type:

- RI - New Jersey Resident Individual
- NR - Nonresident Individual
- PI - Part Year Resident Individual
- RP - New Jersey Resident Partnership
- NP - Nonresident Partnership
- RC - New Jersey Corporation
- FC - Non-New Jersey Corporation
- RT - New Jersey Resident Trust
- NT - Nonresident Trust
- RE - New Jersey Resident Estate
- NE - Nonresident Estate
- RO - New Jersey Resident - Other
- NO - Nonresident - Other

For codes RO and NO, attach rider to explain the partner’s entity type in detail.

Column C: Enter each partner’s Social Security Number (SSN) for individual partners or Federal Employer Identification Number (FEIN) for partners which are entities other than individuals.

Column D: Enter each partner’s name and address. For individuals, the statute requires that the address be that of the person’s principal residence. If the partner is an entity other than an individual, enter the partner’s business name.

Column E: Enter each partner’s Distributive Share of Partnership Income or Loss from Line 4, Column A of their Schedule NJK-1.

Column F: Enter each partner’s Distributive Share of Partnership Income or Loss from Line 4, Column B of their Schedule NJK-1.

Signature
The return must be signed and dated by a general partner of the partnership or the partner designated for tax matters.

Anyone who prepares a return for a fee must sign the return as a “Paid Preparer” and enter his or her social security number or federal practitioner tax identification number. Include the company or corporation name and Federal Employer Identification Number, if applicable. A tax preparer who fails to sign the return or provide a tax identification number may incur a penalty of $25 for each omission.

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**Line by Line Instructions for Schedule NJK-1**

**PART I**

**GENERAL INFORMATION**

**Name and Address**

Enter the name and address of both the partner and the partnership. Enter the Federal Employer Identification Number (FEIN) of the partnership and, if the particular partner is an entity other than an individual, enter the FEIN of the partner as well. If the partner is a person, enter his or her Social Security Number. If the partner is an Individual Retirement Arrangement (IRA), enter the identification number of the custodian of the IRA, not the Social Security Number of the person for whom the IRA is maintained.

If a husband and wife each had an interest in the partnership, prepare a separate Schedule NJK-1 for each spouse. If a husband and wife held an interest together as one partner, prepare one Schedule NJK-1.

**Classification of Partner**

Use the codes shown above in the instructions for Column B of the partner’s directory.

**Date Partner’s Interest in Partnership Began**

Enter the month, day, and year the partner obtained an interest in this partnership.

Schedule NJK-1 provides each partner with information regarding that partner’s share of partnership income. A Schedule NJ-1 must be completed for every partner that was a partner in the partnership at any time during the year. Partners must be furnished with a copy of their Schedule NJK-1 on or before the due date of the partnership return (Form NJ-1065). If a partnership interest is held by a nominee on behalf of another person, the partnership is required to furnish Schedule NJK-1 to the nominee.

The partnership must attach a copy of the Schedule NJK-1 for each resident partner when the partnership return (Form NJ1065) is filed. If the partnership has income or loss allocated to New Jersey, a copy of every nonresident partner’s Schedule NJK-1 must be attached as well. A copy of all NJK-1(s) must be retained by the partnership as part of the partnership’s records.
Partner’s Profit, Loss, and Capital Sharing Percentages
Enter in Column (ii), the appropriate percentages as of the end of the partnership’s year. However, if a partner’s interest terminated during the year, enter in Column (i) the percentages that existed immediately before the termination. When the profit or loss sharing percentage has changed during the year, show the percentage before the change in Column (i) and the end-of-year percentage in Column (ii). If there are multiple changes on the profit and loss sharing percentage during the year, attach a statement giving the date and percentage before each change.

“Capital Ownership” means the portion of the capital that the partner would receive if the partnership was liquidated at the end of the year and the undivided interests in the partnership’s assets and liabilities were distributed.

PART II
INCOME INFORMATION
The amounts reported in Column A, Schedule NJK-1, represent the partner’s share of the partnership’s income, gain or loss from all sources as reported in Column A, Form NJ-1065. The partner’s share shall be determined by the partnership agreement in the same manner as the partner’s distributive share of partnership income is determined for Federal income tax purposes. Column A, Schedule NJK-1 must be completed for every partner, regardless of residency.

The amounts reported in Column B, Schedule NJK-1 represent the partner’s share of the partnership’s income, gain or loss allocated to New Jersey as reported in Column B, Form NJ-1065. Column B, Schedule NJK-1 should be completed for all partners.

Line 1 - Partnership Income (Loss)
Enter on Line 1, Column A, the partner’s share of partnership income or loss reported on Line 21, Column A, Form NJ-1065.

Enter on Line 1, Column B, the partner’s share of partnership income or loss reported on Line 21, Column B, Form NJ-1065.

Line 2 – Net Guaranteed Payments
Enter on Line 2, Column A, the partner’s amount of net guaranteed payments reported on Line 22c, Column A, Form NJ-1065.

Enter on Line 2, Column B, the amount from Column A multiplied by the business allocation percentage from Line 16b, Form NJ-1065.

Line 3 - Partner’s 401(k) Contribution
Enter on Line 3, Column A, the amount of the partner’s contribution to a 401(k) plan. Contributions in excess of Federal limits and taxable for Federal income tax purposes may not be included on this line.

Enter on Line 3, Column B, the amount from Column A multiplied by the business allocation percentage from Line 16b, Form NJ-1065.

Line 4 – Distributive Share of Partnership Income (Loss)
Add Lines 1 and 2, Column A, then subtract Line 3, Column A from this result. Enter the remainder on Line 4, Column A.

Add Lines 1 and 2, Column B, then subtract Line 3, Column B from this result. Enter this amount on Line 4, Column B.

Line 5 – Pension
Enter on Line 5, Column A, the partner’s share of guaranteed payments – pension reported on Line 22b, Column A, Form NJ-1065. The partner to whom the guaranteed payment was made must be receiving the payment as a result of a period of service to the partnership pursuant to a retirement agreement or pension plan.

Make no entry on Line 5, Column B. Pension income to nonresidents is not subject to New Jersey gross income tax.

Line 6 – Childcare Deduction
Enter on Line 6, Columns A and B, the partner’s share of the child care deduction reported on Line 23, Columns A, and B Form NJ-1065.

PART III
SUPPLEMENTAL INFORMATION
Attach a separate schedule to provide any detailed information affecting the partner’s share of income.

Business Allocation Schedule
General Instructions for Business Allocation Schedule
If business activities are carried on both inside and outside New Jersey, business income may be allocated to determine the amount of income from New Jersey sources. Carrying on business activities outside New Jersey means maintaining, operating or occupying a regular place of business outside New Jersey, such as an office, shop, store, warehouse, factory, agency or other place where the business affairs are systematically and regularly conducted.