



*New Jersey Division of Revenue
and Enterprise Services*

***NJ1040 e-File
Software Developers
Handbook***

*Guide for Practitioners/ERO's who file:
New Jersey Income Tax returns electronically*

State of New Jersey
Division of Revenue and Enterprise Services

James J. Fruscione
Director

INTRODUCTION

New Jersey is again participating in the Joint Federal/State MeF Electronic Filing Program for individual income tax returns. The information contained in this handbook is designed to assist practitioners in the preparation of New Jersey Electronic Returns for TY2015.

New for TY2015

Earned Income and adjusted gross income (AGI) must each be less than:

- \$47,747 (\$53,267 married filing jointly) with three or more qualifying children
- \$44,454 (\$49,974 married filing jointly) with two qualifying children
- \$39,131 (\$44,651 married filing jointly) with one qualifying child
- \$14,820 (\$20,330 married filing jointly) with no qualifying children

Tax Year 2015 maximum credit:

- \$6,242 with three or more qualifying children 30% is \$1872.60
- \$5,548 with two qualifying children so 30% is \$1664.40
- \$3,359 with one qualifying child so 30% is \$1,007.70
- \$503 with no qualifying children so 30% is \$150.90

UI/DI/FLI –

- UI/WF/SWF – \$136.00
- DI – \$80.00
- FLI – \$28.80

Form Changes:

- 1040 & 1041- year and date updates
- NJ-2210 can now be made on the NJ1041 & NJ1041-SB
- Amended Returns can now be sent in for 1040 and 1040NR (1040X)
- Estimated payments can now be made on the 1040ES

I E-File Mandate Information

Paid tax preparers that prepare 11 or more New Jersey individual gross income tax resident returns including those filed for trusts and estates during the tax year must use electronic methods to file those returns.

**** New Jersey nonresident, part-year resident, amended, and prior year returns are not included in the mandate at this time.****

More information can be found at the following url:

<http://www.state.nj.us/treasury/taxation/nj1040faqs.shtml>

II Binary Attachments

New Jersey accepts the MeF Schemas for the NJ-1040, NJ-1040 Part –year, Non-resident, 1040ES (Estimated Payments), 1040X (Amended), 1040NR (Amended), NJ-1041 Fiduciary returns, and 1041ES (Estimated Payments).

Submission Size

- The instance of a federal or state submission XML file cannot exceed 3 GB compressed. The maximum size of an individual PDF file attached to the submission is 60 MB uncompressed.

Attach a PDF File

To attach a PDF file, perform the following steps:

Create the PDF file using any available tool. In creating a PDF file for the submission, it is important to adhere to the following guidance:

- Do not password protect or encrypt PDF attachment when attaching.
- Keep binary attachments as small as possible. Try exporting a document instead of scanning one, when creating a PDF file.
- Each separate PDF cannot exceed 60 megabytes uncompressed.
- Each PDF must start with %pdf- and end with %%EOF. The return will reject if the PDF is not properly formatted.

MANIFEST INFORMATION

- Estimated Payments
 - 1040ES used for both resident and non-resident
 - 1041ES used for fiduciary returns
 - Send in 1 – 4 1040/1041ES forms with financial transaction with the specified quarter to apply payment (one return with one financial transaction).
 - Must have the following in the manifest
NJ-1040
<StateSubmissionType>TGIEP</StateSubmissionType>
<SubmissionCategory>INDEP</SubmissionCategory>

NJ-1041
<StateSubmissionType>NJ1041</StateSubmissionType>

<SubmissionCategory>ESTRST</SubmissionCategory>

NJ-1041SB

<StateSubmissionType>NJ1041SB</StateSubmissionType>

<SubmissionCategory>ESTRST</SubmissionCategory>

NJ-630 1041

<StateSubmissionType>NJ630</StateSubmissionType>

<SubmissionCategory>ESTRST</SubmissionCategory>

- Amended Returns
 - 1040X – for amended NJ1040
 - Must have the following in the manifest
 - <StateSubmissionType>INDAMD</StateSubmissionType>
 - <SubmissionCategory>IND</SubmissionCategory>
 - 1040NR – for amended NJ1040NR (Checkbox)
 - Must check the amended box to mark return as amended
 - Ultimate Bank Account
 - This information is located in the header information. This will allow us to detect potential fraudulent activity by having bank account info if the money is routed to a different account in our schemas.
- Extension Requests
 - NJ-630 Must have the following in the manifest
 - <StateSubmissionType>NJExtension</StateSubmissionType>
 - <SubmissionCategory>IND</SubmissionCategory>

New Jersey **will not accept** certain filings electronically:

- Full-year resident filing a joint return with a part-year resident, and a full or part-year resident filing jointly with a non-resident.
- NJ-1040 with out-of-country addresses.
- Also, New Jersey cannot accept more schedules than the amount accepted by the IRS.

Acknowledgment records are transmitted to the IRS to be retrieved by software developers and/or transmitters and forwarded to practitioners.

IV ACCEPTANCE INTO E-FILE PROGRAM

New participants in the e-file program should contact the IRS, since Federal registration is required. All required identification numbers are issued by the IRS. (New Jersey does not issue EFIN's and ETIN's.) There is an IRS deadline for filing applications; but there is no deadline for New Jersey. One should not attempt to file returns electronically until an identification number from the IRS has been received and made available to New Jersey.

V REGISTRATION

Transmitters who have not previously registered with New Jersey must submit a properly completed registration form for TY15. It is important that all ETIN numbers be registered. New Jersey does not require transmitters to re-register on a yearly basis. Transmitters should not provide their customers with New Jersey registration forms with a pre-filled ETIN. Transmitters are required to pass testing each year. Practitioners need to have the IRS assign them an EFIN. Practitioners do not need to register with New Jersey. We will check the EFIN with the IRS database.

Software developer ID's, ETIN's, EFIN's, etc. are verified. ID numbers appearing in electronic returns that are not registered will cause the return to be rejected.

Remember: In the course of processing electronic returns, software developer ID's, ETIN's, EFIN's, etc. are verified. ID numbers appearing in electronic returns that are not registered with the Internal Revenue Service will be rejected by the State of New Jersey.

Note: There is no requirement to be bonded to participate in New Jersey's Program.

VII "STATE-ONLY" PROGRAM

New Jersey is a participant in the IRS MeF Program. In this program, New Jersey accepts NJ State returns "linked or unlinked" with the corresponding Federal return. This includes non-resident returns and part-year resident returns. In addition, New Jersey accepts the e-file retransmission of a previously rejected NJ State return. Please contact your software developer to verify whether you can resubmit rejected returns.

VIII MONITORING AND SUSPENSION OF PRIVILEGES

New Jersey monitors all parties involved in the electronic filing process. All entities involved in this process are subject to the rules and regulations set forth in this document, as well as the laws, statutes, rules, and regulations that relate to New Jersey Income Tax. Failure to comply with program mandates will result in warnings and/or suspension from the program. Electronically filed returns from suspended entities will not be accepted.

IX PROVIDING DOCUMENTS TO TAXPAYERS

ERO's must furnish taxpayers with documentation of all New Jersey forms filed on their behalf. These should include, but not be limited to, a properly completed NJ-1040, NJ-1040NR and NJ-1041. Also, ERO's should advise taxpayers to retain their copies of W-2's, 1099's, and any documents that were used to prepare returns.

X CONTACTING THE DIVISION

ERO's and Transmitters for technical questions

Any questions dealing with the schemas should be directed to our MeF Admin Group at MEFADMIN@treas.nj.gov. This email is for developer use only and is not to be given out to general taxpayers or practitioners.

Practitioners

Practitioners have a special phone number that they can utilize when calling the Division of Taxation on tax related matters. Any other questions or concerns should be directed to the Division of Revenue hotline at 609-292-9292.

XI STATE ACKNOWLEDGMENTS

The Internal Revenue Service will provide State Acknowledgement service on its Front End Processing System (MeF platform). The State of New Jersey will send their Acknowledgements to MeF for trading partners to pick up, when they pick up their Federal Acknowledgement. New Jersey will store Submission ID provided by the IRS for use by our help desk.

New Jersey acknowledges all electronic returns received. Clients receive acknowledgments from both the IRS and the State of New Jersey. It should be noted that a Federal acknowledgment does not extend to the corresponding State return. A Federal acknowledgment means only that the State portion has been made available to that State.

An acceptance from New Jersey does not imply that the return, in its entirety, is correct. It acknowledges only that the return conforms to the required standards for electronic filing. Acknowledgments will be transmitted to the IRS System for retrieval

If not using direct debit, payments with the voucher 1040-V/ 1040NR-V should be forwarded, along with the accompanying payment vouchers, to the following address:

- **Resident**

State of New Jersey Division of Taxation

Revenue Processing Center

P.O. BOX 111

Trenton, New Jersey 08646-0111

<http://www.state.nj.us/treasury/taxation/pdf/current/1040v.pdf>

- **Nonresident**

State of New Jersey Division of Taxation

Revenue Processing Center

P.O. BOX 244

Trenton, New Jersey 08646-0244

<http://www.state.nj.us/treasury/taxation/pdf/current/1040nrv.pdf>

Note: If you receive an acknowledgement from the State of New Jersey, Division of Revenue and Enterprise Services that leads you to believe someone may have used your social security number fraudulently, please notify DORES immediately by calling the e-file hotline at: 609-292-8720.

XII PIN's (PERSONAL IDENTIFICATION NUMBERS)

E-filed New Jersey returns are accepted without a PIN.

New Jersey does not require a PIN when e-filing a New Jersey income tax return. Taxpayers with a self-selected Federal PIN or a Tax Practitioner PIN may still use either one.

XIII Signature Documents

NJ Division of Taxation no longer requires any signature document for any e-filed New Jersey return. Practitioners may choose to maintain a signed copy of an NJ-8879 or similar document in their records.

<http://www.state.nj.us/treasury/revenue/2015Form8879.pdf>

The form NJ-8879 is not to be mailed to the State of New Jersey.

XIV TY15 E-FILE CALENDAR

The following dates relate to the coming E-file tax season:

Return period:	1/1/15 - 12/31/15
Deadline to register:	None, (but must register prior to transmitting)
Start date for PATS	When Notified
Begin live transmissions:	January 15 th 2016 (Approximate Date)
Last date for timely filing:	April 18 th 2016
Last date for late transmissions:	Same as IRS