

## Glossary of Tax Terms

On this page you will find definitions and explanations of common tax words and acronyms (for example: VIP = very important person) used by the New Jersey Division of Taxation. This page provides a general meaning of tax terms and does not represent legal advice. It is not meant to be a replacement for any reference or legal definition stated in New Jersey tax laws.

If you do not find the word you are looking for, please search our [website](#) for information on the topic. You can use the "search" feature located in the upper, right corner of most pages.

A	
<b>Adjusted Basis</b>	To determine gain or loss on the sale or exchange of property, you must usually make certain changes (increases or decreases) to the basis of the property. The result of these changes is the adjusted basis. For New Jersey Income Tax, see <a href="#">NJ Income Tax - Capital Gains</a> .
<b>Allocate</b>	To determine a portion or percentage of income that is subject to tax.
<b>Amend</b>	To correct information reported on a filed tax return. For New Jersey Income Tax, see <a href="#">NJ Income Tax – How and When to Amend</a> .
<b>Amnesty Penalty</b>	An additional amount on any amnesty-eligible liability not paid during the amnesty period. This amount cannot be reduced or removed. Also see tax amnesty program.
<b>Annuity</b>	A form of insurance or investment that gives the owner a series of payments as set up under a contract. For more information, see Tax Topic Bulletin <a href="#">GIT-1, Pensions &amp; Annuities</a> .
B	
<b>Base Year</b>	For Property Tax Reimbursement (PTR) purposes: This is the first year you met all the PTR eligibility requirements. For example, a New Jersey resident first met the PTR eligibility requirements in 2004 and again in 2005. She filed a 2005 PTR application and was reimbursed the difference between her 2004 and 2005 property taxes. Her base year is 2004.

<p><b>Basis</b></p>	<p>Generally, it is the amount you paid for property (such as real estate and stocks).</p> <p>If you inherited the property, your basis is the fair market value of the property as of the date of death of the donor. If you received it as a gift, your basis may be the fair market value of the property when you received it or the adjusted basis of the previous owner.</p> <p>You need to know the basis to calculate the gain or loss on property you sold or transferred.</p> <p>For New Jersey Income Tax, see <a href="#">NJ Income Tax - Capital Gains</a>.</p>
<p><b>Bulk Sale</b></p>	<p>Sale, transfer or assignment of a business or business assets.</p> <p>For more information, see <a href="#">Bulk Sales FAQ</a>.</p>
<p><b>C</b></p>	
<p><b>Capital Gains</b></p>	<p>Profit from the sale of property (such as stocks, mutual-fund shares and real estate).</p> <p>For New Jersey Income Tax, see <a href="#">NJ Income Tax - Capital Gains</a>.</p>
<p><b>Casual Sale</b></p>	<p>The occasional sale of tangible personal property or <a href="#">specified digital products</a> by a person or business (the seller):</p> <ul style="list-style-type: none"> <li>• Who originally purchased the property for his/her/its own use; and</li> <li>• Who is not in the business of making retail sales of that property</li> </ul> <p>For New Jersey Sales and Use Tax purposes: A casual sale is a nontaxable sale.</p> <p><b>Important:</b> The casual sale exemption <b>does not</b> apply to the sale of <a href="#">motor vehicles</a> or <a href="#">boats or vessels</a> subject to registration under the New Jersey Boat Act.</p>
<p><b>Civil Union Partners</b></p>	<p>For New Jersey tax purposes: Committed same-sex couples who entered into civil unions are given the same rights and benefits as married opposite-sex couples.</p> <p>For more information, see <a href="#">Civil Union Act</a>. Also see domestic partner.</p>
<p><b>COJ</b></p>	<p>See credit for taxes paid to other jurisdictions.</p>
<p><b>Compensation</b></p>	<p>Salaries, wages, tips, fees, commissions, bonuses and other payments you receive for your services.</p>

<p><b>Contractor</b></p>	<p>A person in the business of working on real property of others. The work performed can include repairs, maintenance or improvements. Some examples of contractors for New Jersey Sales Tax purposes are builders, plumbers, electricians, carpenters, painters, roofers and masons.</p> <p>Also see subcontractor and fabricator/contractor.</p>		
<p><b>Credit for Taxes Paid to Other Jurisdictions (COJ)</b></p>	<p>A credit against your New Jersey tax for business/nonwage income or wage income tax paid:</p> <ul style="list-style-type: none"> <li>• On the same income, <i>and</i></li> <li>• In the same year, <i>and</i></li> <li>• To both New Jersey and another taxing jurisdiction outside New Jersey.</li> </ul> <p>For the purpose of this credit:</p> <table border="0" style="width: 100%;"> <tr> <td style="vertical-align: top; width: 50%;"> <p><b>Jurisdiction</b> includes:</p> <ul style="list-style-type: none"> <li>• Any state* in the United States other than New Jersey, or</li> <li>• A political subdivision of another state, such as a city, or</li> <li>• The District of Columbia.</li> </ul> </td> <td style="vertical-align: top; width: 50%;"> <p><b>Jurisdiction</b> <i>does not</i> include:</p> <ul style="list-style-type: none"> <li>• Federal government</li> <li>• Canada</li> <li>• Puerto Rico, or</li> <li>• Any other foreign country or territory.</li> </ul> </td> </tr> </table> <p><b>*Note:</b> New Jersey residents employed in Pennsylvania may not claim a credit for taxes paid to Pennsylvania because employee compensation earned by New Jersey residents is not subject to tax in PA. See <a href="#">NJ Income Tax -PA/NJ Reciprocal Income Tax Agreement</a> for more information.</p> <p>Also see Tax Topic Bulletins: <a href="#">GIT-3W</a> <i>Credit for Taxes Paid to Other Jurisdictions (Wage Income)</i> and <a href="#">GIT-3B</a> <i>Credit for Taxes Paid to Other Jurisdictions (Business/Nonwage Income)</i> for more information.</p>	<p><b>Jurisdiction</b> includes:</p> <ul style="list-style-type: none"> <li>• Any state* in the United States other than New Jersey, or</li> <li>• A political subdivision of another state, such as a city, or</li> <li>• The District of Columbia.</li> </ul>	<p><b>Jurisdiction</b> <i>does not</i> include:</p> <ul style="list-style-type: none"> <li>• Federal government</li> <li>• Canada</li> <li>• Puerto Rico, or</li> <li>• Any other foreign country or territory.</li> </ul>
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D			
<p><b>Decedent</b></p>	<p>A person who has died.</p> <p>For New Jersey Income Tax, see <a href="#">Deceased Taxpayers</a>.</p> <p>For Inheritance and Estate Tax, see <a href="#">Inheritance and Estate Tax Overview</a>.</p>		

<p><b>Deductions</b></p>	<p>For New Jersey Income Tax purposes: Items you are allowed to subtract from your gross income to reduce the amount of your taxable income.</p> <p>See <a href="#">NJ Income Tax - Deductions</a> for more information.</p> <p>For Inheritance and Estate Tax purposes: Expenses you are allowed to subtract from the gross estate to reduce the amount of the taxable estate.</p> <p>See Inheritance Tax Resident Return, <a href="#">Form IT-R</a>, and Estate Tax Return, <a href="#">Form IT-Estate</a>, for more information.</p>
<p><b>Deferred Payment Plan</b></p>	<p>If you cannot pay the full tax amount you owe, you may be able to make monthly payments.</p> <p>See <a href="#">Deferred (Installment) Payment Plans</a> for more information.</p>
<p><b>Deficient</b></p>	<p>You did not pay the total amount of taxes owed.</p> <p>The unpaid amount that the Division of Taxation determines you owe may be different from the tax due amount you reported on your return. Late payment interest and penalty charges may apply.</p> <p>If you received a notice, see <a href="#">Have You Been Contacted by the Division of Taxation?</a></p>
<p><b>Delinquent</b></p>	<p>You did not file a required tax return.</p> <p>Late filing penalties can apply. If you received a notice, see <a href="#">Have You Been Contacted by the Division of Taxation?</a></p>
<p><b>Depreciation</b></p>	<p>The loss of value that happens as an item gets older or wears out.</p>
<p><b>Disability Insurance (DI) Contributions</b></p>	<p>A <a href="#">contribution</a> withheld from your wages by your employer. Your employer may report this contribution in Box 14 on your <a href="#">W-2</a>. <b>DI is not your income tax withholdings.</b></p> <p><b>Note:</b> If multiple employers withhold more than the maximum DI amount allowed, you may be eligible for a credit on your income tax return. If a single employer over withholds you must obtain a refund from the employer.</p> <p>See <a href="#">NJ Income Tax - Other Credits (UI/DI/FLI)</a> for more information.</p>
<p><b>Disabled</b></p>	<p>Total and permanent inability to engage in any substantial gainful activity because of any physical or mental impairment, including blindness.</p>
<p><b>Dishonored Payment Fee</b></p>	<p>A \$50 fee applied to a payment returned as unpayable by your bank.</p>

<b>Disregarded Entity</b>	A type of business that is considered to be separate from its owner except for tax purposes. The income, deductions and losses of the disregarded entity are included on its owner's return.
<b>Distribution</b>	<p>Payment of principal, interest or dividend on a regular (typically monthly or quarterly) or lump sum basis.</p> <p>For New Jersey Income Tax purposes: This refers to payments you receive from your retirement plan (such as pension, annuity and IRA).</p>
<b>DLN</b>	Document Locator Number. The Division of Taxation assigns this number to tax returns, payments and other documents for reference purposes.
<b>Domestic Partner</b>	<p>New Jersey recognizes domestic partnerships if both persons jointly file an <a href="#">Affidavit of Domestic Partnership</a> with their local registrar.</p> <p>For New Jersey Income Tax purposes: A domestic partner <i>is not</i> considered to be married or a partner in a civil union. A qualified domestic partner can be claimed as a "dependent."</p> <p>For more information, see <a href="#">The Domestic Partnership Act</a>.</p>
<b>Domicile</b>	The place you consider your permanent home and the place you intend to return to after you have been away — on vacation, educational leave, business or military assignment, etc. You have only one domicile, although you may have more than one place to live. Your domicile does not change until you move to a new location with the intent to establish your permanent home there and to abandon your New Jersey domicile. Moving to a new location, even for a long time, does not change your domicile if you intend to return to New Jersey.
<b>E</b>	
<b>Earned Income Tax Credit (EITC)</b>	See NJ Earned Income Tax Credit.
<b>Employee</b>	<p>Anyone who performs services for an employer who controls what will be done and how it will be done. Also see independent contractor.</p> <p>For more information, see <a href="#">NJ-WT</a>, <i>New Jersey Gross Tax Instruction Booklet for Employers, Payors of Pension and Annuity Income and Payors of Gambling Winnings</i>.</p>
<b>Employer</b>	<p>A person or organization who hires individual(s) to perform services as an employee.</p> <p>For more information, see <a href="#">NJ-WT</a>, <i>New Jersey Gross Tax Instruction Booklet for Employers, Payors of Pension and Annuity Income and Payors of Gambling Winnings</i>.</p>

<b>Employer Identification Number (EIN)</b>	A nine-digit number assigned by the Internal Revenue Service (IRS) and is used to identify a business entity. Also referred to as "Federal Employer Identification Number" or "FEIN." See <a href="#">IRS website</a> for more information.
<b>Employer Withholdings</b>	New Jersey employers, payors of gambling winnings, payors of pension and annuity income and payors of income to unregistered unincorporated contractors must meet the withholding, reporting and remitting requirements for Gross Income Tax Employer Remittance (GITER).  For more information, see <a href="#">NJ-WT</a> , <i>New Jersey Gross Tax Instruction Booklet for Employers, Payors of Pension and Annuity Income and Payors of Gambling Winnings</i> .
<b>Entity</b>	An organization, person, partnership or business that has a separate identity.  When we talk about entities, we mean the <i>type</i> or <i>structure</i> of the business (such as <a href="#">corporations</a> , partnerships, limited liability companies and limited liability partnerships).
<b>Estate Tax</b>	This tax applies if the resident decedent's gross taxable estate plus adjusted taxable gifts (as determined in accordance with the provisions of the Internal Revenue Code in effect on December 31, 2001) exceeds \$675,000.  For more information, see <a href="#">Inheritance and Estate Taxes Overview</a> .
<b>Estimated Tax</b>	The amount of tax you estimate you will owe for the tax year.  For New Jersey Income Tax purposes: This amount is determined after subtracting withholdings and other credits. You must make estimated payments if your estimated tax is more than \$400.  For more information, see <a href="#">NJ Income Tax - Estimated Payments</a> and <a href="#">Estimated Tax Payments</a> .
<b>Exempt</b>	Not taxable.
<b>Exempt Obligations</b>	For New Jersey Income Tax purposes: Interest, distributions and gains received from certain Federal or State of New Jersey (or any of its political subdivisions) obligations are not subject to tax.  See Tax Topic Bulletin <a href="#">GIT-5</a> , <i>Exempt Obligations</i> for more information.
<b>Exit Tax</b>	"Exit tax" is a common term applied to an estimated income tax payment made by nonresident individuals, estates and trusts for the sale or transfer of real property in New Jersey.  New Jersey does not charge a tax simply because an owner of New Jersey real property sells it or is

<b>Exit Tax (continued)</b>	<p>moving out of New Jersey. Any owner (resident or nonresident of NJ) must pay income tax on any gain or profit from the sale of New Jersey property.</p> <p>See <a href="#">NJ Income Tax - Capital Gains</a> for more information.</p> <p>For more information, see Technical Bulletin <a href="#">TB-57(R)</a>, <i>Estimated Gross Income Tax Payment Requirements on Sales of New Jersey Real Property by Nonresidents</i>.</p>
<b>F</b>	
<b>Fabricator/Contractor</b>	<p>Someone who builds or assembles items to be installed in real property (such as kitchen cabinets or heating ducts) and installs or sells at retail the items he makes. Also see contractor.</p>
<b>Fair Market Value</b>	<p>The price a buyer is willing to pay and the seller is willing to accept on the open market.</p>
<b>Family Leave Insurance (FLI)</b>	<p>A <a href="#">contribution</a> withheld from your wages by your employer. Your employer may report this contribution in Box 17 on your <a href="#">W-2</a>. <b>FLI is not your income tax withholdings.</b> When filing your New Jersey income tax return, <b>do not</b> report the FLI amount as New Jersey Income Tax Withheld.</p> <p><b>Note:</b> If multiple employers withhold more than the maximum FLI amount allowed, you may be eligible for a credit on your income tax return. If a single employer over withholds you must obtain a refund from the employer.</p> <p>See <a href="#">NJ Income Tax - Other Credits (UI/DI/FLI)</a> for more information.</p>
<b>Federal Employer Identification Number (FEIN)</b>	<p>See employer identification number (EIN).</p>
<b>Federal Offset of Individual Liability (FOIL)</b>	<p>If you owe New Jersey Gross Income Tax, all or part of your Federal (Internal Revenue Service) refund may be applied to the amount owed.</p> <p>See <a href="#">Set-Off/Offset Programs</a> for more information.</p>
<b>Fiduciary</b>	<p>Anyone with the responsibility and legal authority to make decisions about financial matters on behalf of another person.</p>
<b>FLI</b>	<p>See family leave insurance.</p>
<b>FOIL</b>	<p>See Federal Offset of Individual Liability.</p>

## G

<b>General Partners</b>	Partners who manage the business and have unlimited personal liability.
<b>GIT</b>	See Gross Income Tax.
<b>GITER</b>	See employer withholdings.
<b>Gross Income</b>	All income you received in the form of money, goods, property and services unless specifically exempt by New Jersey law.
<b>Gross Income Tax</b>	Tax charged on gross income earned or received by New Jersey resident and nonresident individuals, estates and trusts.

## H

<b>Home of Record</b>	For military personnel, this is the place that is used for fixing travel and transportation allowances. Do not confuse your home of record with your domicile, though they may be the same.
<b>Homestead Benefit Program</b>	<p>This program provides property tax relief to eligible homeowners and tenants. To qualify, you must meet all the eligibility requirements.</p> <p>For more information, see the <a href="#">Homestead Benefit Program</a> webpage.</p>

## I

<b>Independent Contractor</b>	A person in business for himself (self-employed) who provides services to other businesses. Also see employee.
<b>Inheritance Tax</b>	<p>This tax applies to the transfer, by reason of death, of real and tangible personal property located in New Jersey (having a value of \$500 or more) that was owned by a decedent to the decedent's beneficiaries. For resident decedents, tax is also applied to intangible personal property located inside or outside of New Jersey.</p> <p>For more information, see <a href="#">Inheritance and Estate Taxes Overview</a>. Also see Estate Tax.</p>



<b>Installment Interest</b>	For New Jersey Income Tax purposes: Interest charged on an underpayment of estimated tax. You may complete <a href="#">Form NJ-2210</a> , Underpayment of Estimated Tax by Individuals, Estates or Trusts, to calculate the amount due or determine if you meet any of the exceptions that would eliminate the interest charges.
<b>Intangible personal property</b>	Property that has only a legal existence rather than a physical existence, such as stocks, bonds, bank accounts, licenses, trademarks and insurance policies.
<b>Interest (on Deficiencies)</b>	A charge applied when you do not pay the amount owed by the original due date.
<b>Irrevocable Trust</b>	After the grantor puts property into this trust, he or she gives up ownership of the property. That property now belongs to the trust. The trust can't be changed without the permission of the beneficiary.
<b>J</b>	
<b>Jurisdiction</b>	An area subject to its own tax rules, such as a state, municipality or country.
<b>K</b>	
<b>Keogh Plans</b>	A retirement plan for the self-employed or employees of unincorporated businesses.
<b>L</b>	
<b>Liability</b>	The amount that an individual or business owes to the Division.
<b>Life Estate/Tenant Rights</b>	<p>Someone who sells or transfers ownership of their home to another with the understanding that the "life tenant" has the right to live in that property for the rest of his or her life. Life Tenant/Estate rights take precedence over actual ownership of the property – the Life Tenant/Estate is considered the homeowner. The deed or trust agreement must state "life tenancy."</p> <p>For New Jersey <a href="#">Property Tax Relief Programs</a>, the life tenant is eligible as a homeowner, even if someone other than the life tenant pays the property taxes.</p>

<b>Limited Liability Company (LLC)</b>	<p>The basic features of a limited liability company are:</p> <ul style="list-style-type: none"> <li>• Its owners have limited liability for the entity's debts and obligations, similar to the status of shareholders in a corporation, and</li> <li>• Its income and losses are normally passed through to the owners. Each owner has to report their share of the business profits or losses on their individual or business tax returns.</li> </ul>
<b>Limited Liability Partnership (LLP)</b>	<p>A type of business formed by two or more people where all owners are limited partners and have limited personal liability. LLPs are usually formed by professional groups such as accountants, attorneys, physicians, etc.</p>
<b>Limited Partners</b>	<p>Partners who do not play an active role in business management and their liability is limited to the amount of their investment in the partnership.</p>
<b>Limited Partnership (LP)</b>	<p>A type of business formed by two or more people, with at least one person acting as the general partner and at least one person in the role of limited partner.</p>
<b>M</b>	
<b>Multi-Unit Property</b>	<p>A property that includes more than one residential unit. Each unit must have its own kitchen and bathroom facilities.</p>
<b>N</b>	
<b>Nexus</b>	<p>Business activity or presence within a state that requires the business to register, collect and/or send in taxes.</p> <p><b>Note:</b> It is possible for a business to have nexus in more than one state.</p> <p>If you need help, the Nexus Audit Group can determine if your business has nexus with New Jersey. Call them at 609-984-5749 or submit the <a href="#">Nexus Questionnaire</a>.</p>
<b>NJ Earned Income Tax Credit (NJEITC)</b>	<p>A credit for certain New Jersey residents who work and have earned income. The credit reduces the amount of New Jersey tax owed and may also be refunded, even if there is no tax liability to New Jersey.</p> <p>For more information, see <a href="#">2015 NJ Earned Income Tax Credit</a>.</p>

## O

**Overpayment**

When your total payments are more than the amount you owe.

## P

**PA/NJ Reciprocal  
Income Tax Agreement**

Pennsylvania residents who receive employee compensation from New Jersey sources are not subject to New Jersey income tax on those earnings.

Pennsylvania residents who are self-employed or who receive other types of income from sources within New Jersey (gain from the sale of property located in NJ) may need to file a New Jersey nonresident return and report the income received.

For more information, see [NJ Income Tax - PA/NJ Reciprocal Income Tax Agreement](#).

**Partners**

Two or more people or entities that share ownership in a business organization called a partnership. Each person or entity must report their share of the business profits or losses on their individual or business tax returns. Also see general partners and limited partners.

**Partnership**

A type of business in which:

- Two or more people or entities (partners) share ownership of the business,
- Each person or entity contributes money, property, labor or skill, and expects to share in the profits and losses of the business, and
- The business chooses to be a [partnership](#) for Federal tax purposes and New Jersey tax purposes.

**Pay As You Go**

In New Jersey, you must pay the tax as you earn or receive income throughout the year. You can pay through withholdings or estimated tax payments.

**Payment Voucher**

See voucher.

**PCR**

See Pioneer Credit Recovery.

**Penalty**

When a tax return is filed after the due date or the tax due is paid late, the Division can apply charges.

For more information, see [Late Payment Penalty](#).

<b>Percentage of Occupancy</b>	Share of a multi-unit property you (and your spouse or civil union partner, if married) use as your principal residence.
<b>Percentage of Ownership</b>	Share of the home you own with someone other than a spouse or civil union partner.
<b>Permanent Home</b>	<p>A residence (a building or structure where a person can live) that you maintain permanently as your home, whether you own it or not.</p> <p>Your home (whether inside or outside New Jersey) is not permanent if you maintain it only during a temporary period a particular purpose (such as a temporary job assignment).</p> <p><b>Note:</b> Does not include property you rent to someone else, a second home or a vacation home.</p>
<b>P.I.L.O.T. (Payments-in-Lieu-of-Tax)</b>	<p>For Property Tax Reimbursement (PTR) and Homestead Benefit purposes: If you made Payments-In-Lieu-of-Tax to your municipality, you are not eligible for PTR or Homestead Benefits. These payments are not considered property taxes.</p> <p>For New Jersey Income Tax purposes: You are not eligible to claim a <a href="#">property tax deduction or property tax credit</a>, if you made P.I.L.O.T payments.</p>
<b>Pioneer Credit Recovery (PCR)</b>	Division of Taxation’s authorized collection agency. See <a href="#">Who is Pioneer Credit Recovery?</a>
<b>Principal Residence</b>	<p>A home you continually occupy as your permanent residence.</p> <p><b>Note:</b> Does not include property you rent to someone else, a second home or a vacation home.</p>
<b>Prorate</b>	<p>To divide based on another value.</p> <p><b>For Example:</b> If you were a part-year New Jersey resident, you must prorate your total income tax exemptions based on the number of months you were a part-year resident. You would calculate the prorated amount like this:</p> $\text{Total Exemptions} \times \frac{\text{Months NJ Resident}}{12} = \text{Prorated Exemptions}$ <p>See example below.</p>

<p><b>Prorate (continued)</b></p>	<p>Therefore, if you lived in New Jersey for 7 months of the year and you were claiming 1 personal exemption for yourself; the total exemption amount you may claim is \$583.33.</p> $\$1,000 \quad \times \quad \frac{7}{12} \quad = \quad \$583.33$
<p><b>Property tax</b></p>	<p>This is the amount due and paid on your home for any year. It is assessed and collected by your municipality.</p>
<p><b>Property Tax Reimbursement (PTR) Program</b></p>	<p>This program reimburses eligible senior citizens and disabled persons for property tax or mobile home park site fee increases on their principal residence. To qualify you must meet all the eligibility requirements for each year from the base year through the application year. Also known as "Senior Freeze."</p> <p>See <a href="#">Property Tax Reimbursement (Senior Freeze) Program</a> for more information.</p>
<p><b>Property Tax Relief Programs</b></p>	<p>New Jersey has several programs that offer eligible homeowners the opportunity to apply for property tax benefits. Depending on the program, relief may be provided as a reimbursement, deduction, credit or exemption.</p> <p>These programs have different:</p> <ul style="list-style-type: none"> <li>• Eligibility Requirements</li> <li>• Applications</li> <li>• Due Dates</li> </ul> <p><b>Note:</b> Homeowners can file applications to receive benefits under each program that they qualify for, however, the total amount of property tax relief benefits received <b>cannot</b> exceed the amount of property taxes paid on their principal residence for the same year.</p>
<p><b>PTR</b></p>	<p>See Property Tax Reimbursement Program.</p>
<p>Q</p>	
<p><b>Qualified Investment Fund</b></p>	<p>A fund that must meet the following requirements:</p> <ul style="list-style-type: none"> <li>• Be a regulated investment company;</li> <li>• Have 80% or more of its investments (other than cash or receivables) in obligations that are exempt from New Jersey income tax; and</li> </ul>

<b>Qualified Investment Fund (continued)</b>	<ul style="list-style-type: none"> <li>Have a completed <a href="#">Form IF-1</a>, Certification of Qualified Investment Fund.</li> </ul> <p><b>Note:</b> Do not send Form IF-1 to our office. You must keep this certification to document its status and it must be made available to the Division upon request.</p>
<b>R</b>	
<b>Real property</b>	Land and buildings and any property permanently attached to the land and/or buildings in such a way that its removal would result in substantial damage to the real or tangible personal property.
<b>Regional Information Centers</b>	Tax offices throughout the State where you can receive New Jersey tax assistance in person. For the address of the nearest New Jersey Division of Taxation office, call the Automated Tax Information System at 1-800-323-4400 or visit <a href="#">here</a> .
<b>Revocable Trust</b>	The grantor can place property into this trust and at some point in the future, can change the features of the trust <b>or</b> remove the property and end the trust. While the grantor is alive, he or she keeps all the benefits of any property placed into the trust.
<b>S</b>	
<b>Sales Tax</b>	7% tax on taxable retail sales. See <a href="#">Sales and Use Tax Overview</a> for more information. Also see Use Tax.
<b>Senior Freeze</b>	See Property Tax Reimbursement Program.
<b>Set-off of Individual Liability Program (SOIL)</b>	If you owe money to State or Federal agencies, they can take and apply all or part of your New Jersey Gross Income Tax refund or Homestead Benefit to the amount owed. See <a href="#">Set-Off/Offset Programs</a> for more information.
<b>Site Fees</b>	For Property Tax Reimbursement (PTR) purposes: The annual site fees you paid to lease a site in a mobile home park where you placed a manufactured or mobile home that you own. For mobile home owners, 18% of the annual site fees is considered property taxes.
<b>SOIL</b>	See Set-off of Individual Liability Program.
<b>Sole Proprietorship</b>	An unincorporated business with one owner who is entitled to keep all profits after tax has been paid but liable for all losses.

<p><b>Statute of Limitations (SOL) for Assessments</b></p>	<p>The time limit for the Division of Taxation to assess you for additional taxes:</p> <ul style="list-style-type: none"> <li>• 3 years for Gross Income Tax</li> <li>• 4 years for all other taxes unless a shorter time period is specified by law.</li> </ul> <p>There is <b>no time limit</b> if:</p> <ul style="list-style-type: none"> <li>• You did not file your return; or</li> <li>• You filed a false or fraudulent return with the intent to evade tax.</li> </ul> <p>The time <b>may be extended</b> if:</p> <ul style="list-style-type: none"> <li>• You amended or the IRS adjusted your Federal taxable income or your Federal earned income credit;</li> <li>• You amended your New Jersey taxable income;</li> <li>• You entered into a written agreement with the Division extending the time to make an assessment;</li> <li>• You failed to report more than 25% of your gross income on your New Jersey income tax return; or</li> <li>• The Division issued an erroneous refund as a result of fraud or misrepresentation by you.</li> </ul>
<p><b>Subcontractor</b></p>	<p>A contractor who is hired to perform a specific task as part of a project for another contractor.</p>
<p><b>Supplemental Workforce Fund (SWF) Contributions</b></p>	<p>Commonly grouped together as Unemployment Insurance (UI), Workforce Development Partnership Fund (WF) and Supplemental Workforce Fund (SWF). These <a href="#">contributions</a> are withheld from your wages by your employer. Your employer may report these contributions in Box 14 on your <a href="#">W-2</a>. <b>UI/WF/SWF are not your income tax withholdings.</b></p> <p><b>Note:</b> If multiple employers withhold more than the maximum UI/WF/SWF amount allowed, you may be eligible for a credit. If a single employer over withholds you must obtain a refund from the employer.</p> <p>See <a href="#">NJ Income Tax - Other Credits (UI/DI/FLI)</a> for more information.</p>

## T

<b>Tangible personal property</b>	Property you can see or touch that is movable (such as furniture, computers, tools, boats, jewelry and motor vehicles).
<b>Tax Amnesty Program</b>	During a limited period, taxpayers have a chance to pay back eligible taxes and file eligible past due tax returns with reduced or no penalty and/or interest.
<b>Taxpayer</b>	Any business, individual, estate or trust required to file a return or to pay taxes, interest and penalties or whose income is subject to tax.
<b>Tax Withholdings</b>	See withholdings.
<b>TGI</b>	See Gross Income Tax.
<b>Trust</b>	An arrangement in which one or more people (known as “trustees”) manage or take care of property for someone else's benefit (known as a “beneficiary”). The person who creates the trust (called a grantor) decides what property to include and who the beneficiaries of the trust will be.  Also see irrevocable trust and revocable trust.

## U

<b>Unemployment Insurance (UI) Contributions</b>	Commonly grouped together as Unemployment Insurance (UI), Workforce Development Partnership Fund (WF) and Supplemental Workforce Fund (SWF). These <a href="#">contributions</a> are withheld from your wages by your employer. Your employer may report these contributions in Box 14 on your <a href="#">W-2</a> . <b>UI/WF/SWF are not your income tax withholdings.</b>  <b>Note:</b> If multiple employers withhold more than the maximum UI/WF/SWF amount allowed, you may be eligible for a credit. If a single employer over withholds you must obtain a refund from the employer.  See <a href="#">NJ Income Tax - Other Credits (UI/DI/FLI)</a> for more information.
<b>Unincorporated contractor</b>	An individual contractor or a contractor organized as a sole proprietorship, a partnership or any other business form not taxable as a corporation for Federal tax purposes.  For more information, see <a href="#">Notice Gross Income Tax</a> .



<b>Unit of residential property</b>	For New Jersey Property Tax Relief Programs: A single, separate dwelling unit that must include complete living facilities for one or more persons. This unit must have permanent living, sleeping, and eating areas as well as separate kitchen and bathroom facilities.
<b>Use tax</b>	Whenever you purchase taxable items or services for use in New Jersey and the seller does not collect the full Sales Tax amount, you are required to pay Use Tax to New Jersey.  For more information, see <a href="#">ANJ-7, Use Tax in New Jersey</a> . Also see Sales Tax.
<b>V</b>	
<b>Voucher</b>	Commonly referred to as “payment voucher.” This is a coupon or pre-printed portion of a notice that you send in with your check or money order for any balance due. If you pay by electronic check (e-check) or credit card, <i>do not</i> send in the payment voucher.
<b>W</b>	
<b>Wages</b>	For New Jersey Income Tax purposes: Income received for services provided as an employee. Includes salaries, tips, fees, commissions, bonuses and any other compensation you receive from an employer, whether in cash, benefits or property.  For more information, see <a href="#">NJ Income Tax – Wages</a> .
<b>Withholdings</b>	If you are an employer, see employer withholdings.  If you are an unincorporated contractor, see <a href="#">Notice Gross Income Tax</a> for the withholding requirements of the person making the payment to the State on your behalf.  If you are an employee, your employer withholds income tax from your pay and sends the tax to the State on your behalf. Tax may also be withheld from other income, including bonuses and gambling winnings. You may request that tax be withheld from your pension and annuity income.  When filing your New Jersey income tax return, if Box 15 shows “NJ”, your New Jersey withholdings should be the amount shown in Box 17 of the <a href="#">W-2</a> .  <b>Important:</b> Do not include amounts for FLI, DI and UI/WF/SWF. These contributions <b>are not</b> income tax withholdings.
<b>Workforce Development Partnership Fund (WF) Contributions</b>	Commonly grouped together as Unemployment Insurance (UI), Workforce Development Partnership Fund (WF) and Supplemental Workforce Fund (SWF). These <a href="#">contributions</a> are withheld from your wages by your employer. Your employer may report these contributions in Box 14 on your <a href="#">W-2</a> .

**Workforce Development  
Partnership Fund (WF)  
Contributions  
(continued)**

**UI/WF/SWF are not your income tax withholdings.**

**Note:** If multiple employers withhold more than the maximum UI/WF/SWF amount allowed, you may be eligible for a credit. If a single employer over withholds you must obtain a refund from the employer.

See [NJ Income Tax - Other Credits \(UI/DI/FLI\)](#) for more information.