

## Schedule NJ-DOP

## Net Gains or Income From Disposition of Property

## 2022

List the net gains or income, less net loss, derived from the sale, exchange, or other disposition of property including real or personal whether tangible or intangible as reported on federal Schedule D.						
	(a)	(b)	(c)	(d)	(e)	(f)
1.	Kind of property and description	Date acquired (mm/dd/yyyy)	Date sold (mm/dd/yyyy)	Gross sales price	Cost or other basis as adjusted (see instructions) and expense of sale	Gain or (loss) (d minus e)
2.	Capital Gains Distributions .....					
3.	Other Net Gains.....					
4.	Net Gains (Add lines 1, 2, and 3.) (Enter here and on line 19. If loss, enter zero here and make no entry on line 19.).....					

## Schedule NJ-WWC

## Wounded Warrior Caregivers Credit

## 2022

<p>Did you provide care for a relative who was a qualifying armed services member (see instructions)? ..... <input type="radio"/> Yes <input type="radio"/> No</p> <p>If <b>Yes</b>, enter the name and Social Security number of the qualifying service member.</p> <p style="text-align: center;">_____ - _____</p> <p style="display: flex; justify-content: space-between;"> <span>_____</span> <span>_____</span> </p> <p style="display: flex; justify-content: space-between;"> <span>Last Name, First Name, Initial</span> <span>Social Security number</span> </p> <p>Enter your relationship to the qualifying service member.</p> <p>_____</p> <p>If <b>No</b>, you are not eligible for a Wounded Warrior Caregivers Credit. Make no entry on line 62, NJ-1040.</p>			
1. Enter the federal disability compensation of the armed services member .....	1.		
2. Maximum credit allowed .....	2.	675	00
3. Enter the lesser of line 1 or line 2 .....	3.		
4. Were you the only caregiver for this service member during the tax year? <input type="radio"/> Yes <input type="radio"/> No If <b>No</b> , enter your share (percentage) of the total care expenses for the year.	4.		%
5. If you answered <b>Yes</b> at line 4, enter the amount from line 3 here and on line 62, NJ-1040.  If you answered <b>No</b> at line 4, multiply the amount on line 3 by the percentage on line 4. Enter the result here and on line 62, NJ-1040 .....	5.		

**Keep a copy of this schedule for your records**

**Insurance Premiums.** Dividends you received from insurance companies are not taxable unless the amount you received is more than the premiums paid. Any interest from accumulated insurance dividends is taxable, and you must report it on line 16a.

**Part-Year Residents.** Include only the dividends you received while you were a resident of New Jersey.

## Line 18 – Net Profits From Business

Complete Part I of Schedule [NJ-BUS-1](#) and enter on line 18 the amount from line 4 of Part I. If the amount on line 4 is a loss, make no entry on line 18. See instructions on page 16.

**Enclose document** Enclose Schedule NJ-BUS-1 and a copy of the federal Schedule C (or C-EZ or F) for each business with your return.

## Line 19 – Net Gains or Income From Disposition of Property

Complete Schedule [NJ-DOP](#) and enter the amount from line 4. If the amount on line 4 is a loss, make no entry on line 19.

**Do not include** on Schedule NJ-DOP:

- Gains/losses from the disposition of property owned by a sole proprietorship, a partnership, or an S corporation. Report on Schedule NJ-BUS-1;
- Gains/losses from the disposition of property owned by an estate or trust (other than a grantor trust). Report on line 26.

**Enclose document** Enclose Schedule NJ-DOP with your return.

## Schedule NJ-DOP Net Gains or Income From Disposition of Property

Report your capital gains and income from the sale or exchange of property. You can deduct the expenses of the sale and your basis in the property from the sales price.

In general, when calculating your gain or loss, you will use the cost or adjusted basis that you used for federal purposes. However, in certain situations, you may use a different basis.

- *Sale of interest in a partnership, a sole proprietorship, or rental property.* You may be required to use a New Jersey adjusted basis.
- *Sale of S corporation shares.* You **must** use your New Jersey adjusted basis.

**Sale of Principal Residence (Main Home).** Capital gain is calculated the same way as for federal purposes. Any amount that is taxable for federal purposes is taxable for New Jersey purposes. For more information on reporting capital gains from the sale of a main home, visit the IRS website at [irs.gov](https://www.irs.gov).

**Installment Sales.** You must report all gains from installment sales in the same year as they are reported for federal purposes. If the New Jersey basis is different from the federal basis, you must make a New Jersey installment sale calculation and report the New Jersey gain.

**Depreciation and Expense Deduction.** New Jersey and federal depreciation and expense deduction limits are different. A New Jersey depreciation adjustment may be required for assets placed in service on or after January 1, 2004. Complete the Gross Income Tax Depreciation Adjustment Worksheet [GIT-DEP](#) to calculate the adjustment.

**Complete Liquidation.** If you had an interest in a partnership, sole proprietorship, or S corporation that sold or disposed of virtually all of its assets in conjunction with the complete liquidation of the entity, you must report your portion of the gain or loss from the sale or disposition of those assets.

### Line 1: List of Transactions

List any New Jersey taxable transaction(s) as reported on your federal Schedule D, indicating the gain or loss for each transaction in column f. In listing the gain or loss on disposition of rental property, you must take into consideration the New Jersey adjustment from Worksheet GIT-DEP, Part I, line 6.

Do not include gains or losses from the sale of exempt obligations. See [GIT-5](#), *Nontaxable Investment Income*.

There is no distinction between active and passive losses for New Jersey purposes. You cannot carry back or carry forward such losses when reporting income on Form NJ-1040. You can deduct federal passive losses in full in the year incurred against any gain within the same category of income, but only in the year that it occurred.

### Line 2: Capital Gains Distributions

Enter your capital gains distributions from Form 1099-DIV(s) or similar statement(s). Do not include capital gains from a New Jersey Qualified Investment Fund that are attributable to qualified exempt obligations or gains from mutual funds to the extent attributable to federal obligations. For more information on New Jersey qualified investment funds, see [GIT-5](#), *Nontaxable Investment Income*.

### Line 3: Other Net Gains

Enter the net gains or income less net losses from disposition of property not included on lines 1 or 2 of Schedule NJ-DOP.

### Line 4: Net Gains

Enter the total of the amounts listed on line 1, column f and lines 2 and 3, netting gains with losses. Enter this amount on line 19, Form NJ-1040. If the netted amount is a loss, enter zero here and make no entry on line 19, Form NJ-1040.

**Part-Year Residents.** Include only the amounts you received while you were a resident of New Jersey.

## Line 20a – Taxable Pension, Annuity, and IRA Distributions/Withdrawals

Retirement income such as pensions, annuities, and certain IRA withdrawals is taxable in New Jersey. The New Jersey taxable amount may be different from the federal amount. Enter the taxable portion on line 20a.

Common types of taxable retirement income:

- Pensions from the private sector;
- Federal, state, and local government, and teachers' pensions;
- Keogh Plan distributions;
- 401(k) Plan distributions;
- Early retirement benefits;
- Amounts reported as pension on Schedule NJK-1, Partnership Return Form NJ-1065;
- Civil Service pensions and annuities, even if based on credit for military service. These are received from the U.S. Office of Personnel Management.

Common types of nontaxable retirement income (do not report on this return):

- Social Security benefits;
- Railroad Retirement benefits;
- Public or private disability pension benefits until the year you turn 65. Beginning with the year you turn 65, the benefits are treated as ordinary pension income;
- U.S. Military pensions and survivor's benefit payments. (Most are received from the U.S. Department of Finance and Accounting Service.)

**Part-Year Residents.** Include only the taxable amounts you received while you were a resident of New Jersey.

## Types of Retirement Plans

Retirement plans are either noncontributory or contributory.

**Noncontributory.** You made no contributions to your plan. Amounts you receive from these plans are fully taxable. Enter the amount from your 1099-R on line 20a.

**Contributory (Other Than IRAs).** You made contributions to your plan. Contributions are usually made through payroll deductions and, in general, are taxed when they are made. Contributions made to a retirement plan (other than a 401(k) Plan) prior to moving to New Jersey are considered to have been previously taxed. These plans also may include employer contributions and earnings, which have not been taxed.

Since you have already been taxed on your contributions, you must determine which portion of your distribution is taxable and which is excludable. There are two methods of calculating the taxable and excludable amounts: Three-Year Rule Method and General Rule Method. To determine which method to use, complete Worksheet A on page 13 the year you begin receiving pension and annuity payments.

**Note:** If you received a distribution from a 401(k) Plan, do not complete Worksheet A. See the section on 401(k) Plans on page 13. If you made a withdrawal from an IRA, do not complete Worksheet A or B. Instead, complete Worksheet C. See the section on IRAs on page 13.

**Three-Year Rule Method.** Use this method if you will recover all your contributions within 36 months from the date you receive your first payment from the plan, and both you and your employer contributed to the plan.

Do not report pension and annuity payments as income on line 20a until you have recovered all of your contributions. Instead, report these amounts on line 20b. Once you have recovered your contributions, the payments you receive are fully taxable and must be reported on line 20a.