

Note: The Division of Taxation is not responsible for a lost benefit if you enter the wrong account information for a direct deposit. You must contact your financial institution for assistance in such cases.

Death Certificate

Check the box above the signature line and enclose a copy of the decedent's death certificate.

Signatures

Sign and date your application in ink. Both spouses/civil union partners must sign a joint application. The signature(s) on the

application must be original; photocopied signatures are not acceptable. We cannot process an application without the proper signature(s) and will return it to you. This may delay your ANCHOR benefit.

Daytime Phone Number and/or Email Address

Providing your daytime phone number and/or email address may help us process your application if we have questions. If you are filing a joint application, you can enter either your or your spouse's/civil union partner's daytime phone number and/or email address.

Income Calculation (Lines 9–23)

If you do not know the amount of gross income from your 2020 or 2022 New Jersey Income Tax return, you can use the ANCHOR Income Calculation worksheet on page 6 to calculate the 2020 amount. Report your 2020 income from all sources for the entire year (including your spouse's/civil union partner's if applicable), even if you were a New Jersey resident for only part of the year. If you understate your income, you must repay any benefit amount you are not eligible to receive.

Do not report income that is exempt from New Jersey Income Tax: for example, Social Security Benefits, unemployment, or U.S. military pensions.

Line-by-Line Instructions

Lines 9–23 of the worksheet on page 6 correspond to the categories of income and the income exclusions on the New Jersey Resident Income Tax return. You must report all taxable income you receive, regardless of where you earned it. We may ask you to submit documentation to verify your income.

A brief description of how to complete lines 9–23 follows. If you need more information on the type or amount of income to report on a particular line, or the types of income that are not taxable (e.g., Social Security), or on the qualifications for the pension and other retirement income exclusions, see the instructions for the 2020 New Jersey resident return, Form NJ-1040, on our website.

Reporting a Loss. If you have a net loss in any category of income, enter zero. You can apply a loss in one category only against other income in the same category. You cannot apply a net loss in one category against income or gains in another.

Rounding. Round all items to the nearest dollar.

Line 9 — Wages, Salaries, Tips, etc.

Enter the wages, salaries, tips, fees, commissions, bonuses, and other payments you received from all employment both inside and outside New Jersey. Take the amount from Box 16

of your W-2. If you were employed outside New Jersey, you may need to adjust your wages to reflect New Jersey tax law.

Line 10 — Taxable Interest Income

Enter your taxable interest income.

Line 11 — Dividends

Enter the taxable dividend income you received from investments (e.g., from stocks, mutual funds) or other income-producing activities that do not constitute a trade or business. Report capital gains distributions from mutual funds or other regulated investment companies on line 13, not on this line.

Line 12 — Net Profits From Business

Enter the net profits from your business, trade, or profession. Use the amount from federal Schedule C (or Schedule C-EZ or F) as adjusted to reflect New Jersey tax law.

Line 13 — Net Gains or Income From Disposition of Property

Enter your net gains or income from the sale or exchange of any property. Also include any capital gains distributions you received from mutual funds or other regulated investment companies.

Line 14 — Pensions, Annuities, and IRA Withdrawals

Enter your taxable pensions, annuities, and IRA withdrawals. The New Jersey taxable amount may be different from the federal amount.

Line 15 — Distributive Share of Partnership Income

Enter your share of income from partnership(s), whether or not the income was actually distributed. See GIT-9P, *Partnership Income*, on our website for more information.

Line 16 — Net Pro Rata Share of S Corporation Income

Enter your net pro rata share of S corporation income, whether or not the income was actually distributed. See GIT-9S, *Income From S Corporations*, on our website for more information.

Line 17 — Net Gains or Income From Rents, Royalties, Patents, and Copyrights

Enter your net gains or income from rents, royalties, patents, and copyrights.

Line 18 — Net Gambling Winnings

Enter net gambling winnings, including New Jersey Lottery winnings from prize amounts of more than \$10,000. You can deduct your gambling losses, including New Jersey Lottery losses, from your winnings that occurred during the same year.

Line 19 — Alimony and Separate Maintenance Payments Received

Enter court-ordered alimony and separate maintenance payments you received. Do not include payments for child support.

Line 20 — Other

Enter on line 20:

- Amounts received as prizes and awards;
- Income in respect of a decedent;
- Income from estates and trusts;
- Scholarships and fellowship grants are taxable unless they meet certain conditions;
- Residential rental value or allowance paid by employer;
- Other (taxable income that has no other place on the return).

Line 21 — Total Income

Enter the total of lines 9 through 20.

Line 22a — Retirement/Pension Exclusion

If, on the last day of the 2020 Tax Year, you (and/or your spouse/civil union partner if filing jointly) were 62 or older or disabled under Social Security guidelines **and** your total income on line 21 (combined income if filing jointly) was \$100,000 or less, you can exclude all or a part of your income

ANCHOR Income Calculation

(Do not include Social Security or Railroad Retirement Benefits as income)

9. Wages, salaries, tips, and other employee compensation	9.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
10. Taxable interest income	10.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
11. Dividends	11.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
12. Net profits from business	12.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
13. Net gains or income from disposition of property	13.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
14. Pensions, annuities, and IRA withdrawals	14.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
15. Distributive share of partnership income	15.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
16. Net pro rata share of S corporation income	16.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
17. Net gains or income from rents, royalties, patents, and copyrights	17.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
18. Net gambling winnings (see instructions)	18.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
19. Alimony and separate maintenance payments received	19.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
20. Other	20.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
21. Total income (Add lines 9 through 20)	21.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
22a. Retirement/Pension exclusion (see instructions)	22a.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
22b. Other Retirement Income Exclusion (see instructions)	22b.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
22c. Total exclusion amount (Add lines 22a and 22b)	22c.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
23. 2020 New Jersey Gross Income. (Subtract line 22c from line 21) Enter this amount on line 3 of Form ANCHOR-H	23.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

from taxable pensions, annuities, and IRA withdrawals. The maximum exclusion amount depends on your filing status:

\$100,000	Married/CU couple, filing joint return
\$100,000	Married/CU partner, filing separately: both maintain same residence*
\$75,000	Single; Head of household; Qualifying widow(er)/surviving CU partner
\$50,000	Married/CU partner, filing separately: each maintains separate residence

*This \$100,000 exclusion is for ANCHOR application purposes ONLY.

Enter on line 22a the lesser of the amount you reported on line 14 or the amount shown next to your filing status above.

If you file a joint return and both of you qualify for the retirement/pension exclusion, you can apply the exclusion to the total taxable pension amount reported.

NOTE: If only one of you qualifies for the exclusion, you can exclude only the income of that spouse/civil union partner.

Line 22b — Other Retirement Income Exclusion

If you (and/or your spouse/civil union partner if filing jointly) were 62 or older on the last day of the 2020 Tax Year and you qualified for the retirement/pension exclusion (see page 6) but did not use the maximum retirement/pension exclusion amount for your filing status on line 22a, you may qualify to exclude other income. Complete the Unclaimed Pension Exclusion Worksheet to calculate your unclaimed pension exclusion amount. Part-year residents must use earned income (wages, net profits from business, partnership income, and S corporation income) received for the entire year. The exclusion amounts in the worksheet for married/CU partners filing separately but *maintaining the same residence* are for ANCHOR application purposes ONLY. Do not use them for Income Tax purposes.

If you (and your spouse/civil union partner if filing jointly) will **never** be able to receive Social Security or Railroad Retirement benefits because your employer did not participate in either program, you may also qualify for the Special Exclusion. See GIT-1&2, *Retirement Income*, for more information.

Line 22c — Total Exclusion Amount

Add line 22a and line 22b and enter the total.

Line 23 — Gross Income

Subtract line 22c from line 21. Enter the result here and on line 3 of Form ANCHOR-H.

Unclaimed Pension Exclusion Worksheet (for use in completing line 22b ONLY)

- Is your income on line 21 **MORE than \$100,000?**
- Yes. You are not eligible for the unclaimed pension exclusion.
 No. Continue with line 1.
1. Enter the total of lines 9, 12, 15, and 16 of ANCHOR income calculation 1. _____
Is the amount on line 1 MORE than \$3,000?
- Yes. You are not eligible for the unclaimed pension exclusion. See "Special Exclusion" below.
 No. Continue with line 2.
2. **Enter: if your ANCHOR filing status is:**
- | | |
|-----------|---|
| \$100,000 | Married/CU couple, filing joint return;
Married/CU partner, filing separately:
both maintain same residence |
| \$75,000 | Single; Head of household;
Qualifying widow(er)/surviving
CU partner |
| \$50,000 | Married/CU partner, filing separately:
each maintains separate
residence 2. _____ |
3. Enter the amount from line 22a of ANCHOR income calculation 3. _____
4. Unclaimed Pension Exclusion. Subtract line 3 from line 2. If zero, enter "0." Include on line 22b of ANCHOR income calculation 4. _____
Joint filers: If only one spouse is 62 or older, only the income of that spouse can be excluded.

Special Exclusion. If you (and your spouse/civil union partner if filing jointly) will **never** be able to receive Social Security or Railroad Retirement benefits because your employer did not participate in either program, see GIT-1&2, *Retirement Income*, before entering an amount on line 22b.



Continue to line 4 instructions.