



**INSTRUCTIONS**

This form must be completed by any taxpayer claiming a recycling equipment tax credit on Form CBT-100, Form CBT-100S, or Form BFC-1. A completed Form 303 must be attached to the return to validate the claim.

**PART I QUALIFICATIONS**

In order to be eligible for the tax credit, the answer to both questions 1 and 2 must be "YES". If the answer to either question is "NO", the taxpayer is NOT entitled to the Recycling Equipment Tax Credit.

A copy of the certification issued by the Department of Environmental Protection must be attached to Form 303 for each piece of recycling equipment used to compute the tax credit. Failure to attach any certification will result in the denial of the tax credit claimed.

No tax credit may be claimed with respect to equipment which was disposed of during the period covered by the tax return.

**PART II CERTIFIED RECYCLING EQUIPMENT**

Complete the information requested in each of the columns (A) through (I) for each piece of certified equipment. If additional space is needed, attach a rider in like format containing the information required in columns (A) through (I).

The cost amount to be reported in Column (C) is the invoice cost of the equipment.

Column (D) must reflect the amount of any loan from the Department of Environmental Protection made pursuant to section 5 of P.L. 1981, c. 278 as amended (N.J.S.A. 13:1E-96).

Enter in Column (G) the number of months that the qualified equipment was used in New Jersey during the period covered by the return.

The prorated credit amount, reported in Column (H), is computed by multiplying Column (F) by Column (G) and dividing the result by 12.

Enter the totals of the amounts reported in Columns (H) and (I) in the space provided.

**PART III CALCULATION OF THE ALLOWABLE CREDIT AMOUNT**

a) The total and allowable Recycling Equipment Tax Credit for the current year is calculated in Part III. The amount of this credit in addition to the amount of any other tax credits taken is limited to 50% of the taxpayer's total tax liability and cannot exceed an amount which would reduce the total tax liability below the statutory minimum.

b) The minimum tax is assessed based on the New Jersey Gross Receipts as follows:

New Jersey Gross Receipts	Minimum Tax
Less than \$100,000	\$500
\$100,000 or more but less than \$250,000	\$750
\$250,000 or more but less than \$500,000	\$1,000
\$500,000 or more but less than \$1,000,000	\$1,500
\$1,000,000 or more	\$2,000

provided however that for a taxpayer that is a member of an affiliated or controlled group which has a total payroll of \$5,000,000 or more for the return period, the minimum tax shall be \$2,000. Tax periods of less than 12 months are subject to the higher minimum tax if the prorated total payroll exceeds \$416,667 per month.

c) The priorities set forth in this Corporation Business Tax form follow Regulation N.J.A.C. 18:7-3.17.

**UNUSED TAX CREDITS**

Unused tax credits may be claimed in subsequent tax years subject to the limitations set forth on this form. Additionally, although the legislation governing this tax credit expired on December 31, 1996, any unused credits claimed prior to January 1, 1997, shall be allowable on subsequent tax returns subject to the limitations set forth on this form.