

FORM 312
(12-19)
2019

NEW JERSEY CORPORATION BUSINESS TAX
EFFLUENT EQUIPMENT TAX CREDIT

Name as Shown on Return	Federal ID Number	Unitary ID Number, if applicable NU
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READ THE INSTRUCTIONS BEFORE COMPLETING THIS FORM

RETURN FILING METHOD

The taxpayer is included as a taxable member on a New Jersey combined return.

The taxpayer is a separate return filer. Complete Parts I–III, as applicable. Do not complete Part IV.

PART I QUALIFICATIONS

1. Did the taxpayer purchase the effluent treatment equipment or conveyance equipment in a tax period beginning on or after July 1, 2002? YES NO

2. Has the taxpayer applied for or received a determination of environmentally beneficial operation from the Commissioner of the Department of Environmental Protection with respect to the equipment for which the credit is sought? YES NO

3. Is the equipment used exclusively in New Jersey? YES NO

NOTE: If the answer to any of the above questions is "NO," do not complete the rest of this form. The taxpayer does **not** qualify for the this tax credit. Otherwise, go to Part II.

PART II EFFLUENT TREATMENT AND CONVEYANCE EQUIPMENT

(A) DESCRIPTION	(B) MONTH & YEAR PLACED IN SERVICE	(C) COST	(D) LOAN AMOUNT FROM DEPT OF ENVIRONMENTAL PROTECTION PLUS SALES & USE TAX PAID	(E) COLUMN (C) MINUS COLUMN (D)	(F) 50% OF COLUMN (E)	(G) # OF MONTHS USED IN N.J.	(H) COLUMN (F) X COLUMN (G) DIVIDED BY 12	(I) CREDIT USED/ SHARED IN PRIOR YEARS
a)								
b)								
c)								
d)								
e)								
TOTAL								

PART III CALCULATION OF EFFLUENT EQUIPMENT TAX CREDIT

4. Enter the total of column (H), Part II	4.	
5. Enter the total of column (I), Part II	5.	
6. Subtract line 5 from line 4	6.	
7. Enter 20% of line 4	7.	
8. Enter the lesser of line 6 or line 7	8.	
9. Enter tax liability from page 1, line 2 of CBT-100, CBT-100S, or BFC-1, or the member's column of Schedule A, Part III, line 5 of CBT-100U.....	9.	
10. Enter the required minimum tax liability as indicated in instruction (b) for Part III	10.	
11. Subtract line 10 from line 9	11.	
12. Enter 50% of the tax liability reported on line 9	12.	
13. Enter the lesser of line 11 or line 12	13.	

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PART III CALCULATION OF EFFLUENT EQUIPMENT TAX CREDIT (CONT.)

14. Tax credits used by taxpayer on current year's return:		
(a) _____	_____	
(b) _____	_____	
(c) _____	_____	
(d) _____	_____	
..... Total		14.
15. Subtract line 14 from line 13. If zero or less, enter zero		15.
16. Allowable credit for the current tax period. Enter the lesser of line 8 or line 15 here and on Part I, Schedule A-3 of the CBT-100, CBT-100U, CBT-100S, or BFC-1		16.

PART IV COMBINED RETURN FILERS SHARING CREDIT

17. Amount of Effluent Equipment Tax Credit available to be shared. Subtract line 16 from line 8.....		17.
18. Amount of credit being shared and FEIN of the taxable member of the combined group with which it is being shared (see instructions)		
_____	_____	
Name Federal ID Number		18.
19. Enter the tax liability of the member with which the credit is being shared from Schedule A, Part III, line 5 of CBT-100U		19.
20. Minimum tax liability		20. 2,000
21. Subtract line 20 from line 19.....		21.
22. Enter 50% of the tax liability reported on line 19.		22.
23. Enter the lesser of line 21 or line 22		23.
24. Tax credits used by this taxpayer on current year's return:		
(a) _____	_____	
(b) _____	_____	
(c) _____	_____	
(d) _____	_____	
..... Total		24.
25. Subtract line 24 from line 23. If zero or less, enter zero		25.
26. Allowable credit shared with this taxable member. Enter the lesser of line 18 or line 25 here and on CBT-100U, Schedule A-3, Part I for the member receiving the shared amount		26.

Instructions for Form 312 EFFLUENT EQUIPMENT TAX CREDIT

This form must be completed by any taxpayer claiming an Effluent Equipment Tax Credit on CBT-100, CBT-100U, CBT-100S, or BFC-1 in accordance with N.J.S.A. 54:10A-5.31, P.L. 2001, c.32, Section 1. A completed Form 312 must be included with the return to validate the claim.

COMBINED RETURN FILERS – If filing a combined return, the form must be completed by the member that earned the credit.

PART I – QUALIFICATIONS

To be eligible for the tax credit, the answer to all questions in Part I **must** be “YES.” If the answer to any of the questions is “NO,” the taxpayer is **not** entitled to the Effluent Equipment Tax Credit.

Taxpayers that have received the determination of environmentally beneficial operation from the Commissioner of the Department of Environmental Protection **must** include a copy of each determination along with Form 312 with the tax return. Also, taxpayers must include an affidavit stating that the treatment equipment or conveyance equipment is or will be used exclusively in New Jersey.

NOTE: No amount of cost included in the calculation of this tax credit shall be included in the costs for calculation of any other credit against the tax imposed pursuant to section 5 of P.L. 1945, c.162 (N.J.S.A. 54:10A-5).

PART II – EFFLUENT TREATMENT AND CONVEYANCE EQUIPMENT

Complete the information requested in each of the columns (A) through (I) for each piece of equipment. If additional space is needed, include 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 total of 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) plus the amount of any Sales and Use Tax paid pursuant to P.L. 1966, c.30 as amended (N.J.S.A. 54:32B-1 et seq.).

Enter in column (G) the number of months that the 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. Combined return filers, include in column (I) any amounts shared with other members in prior years.

PART III – CALCULATION OF EFFLUENT EQUIPMENT TAX CREDIT

- a) The total and allowable Effluent 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 that would reduce the total tax liability below the statutory minimum. Taxpayers claiming multiple credits must list any credits already applied to the tax liability to ensure accuracy of the calculation for maximum credit allowable.
- b) The minimum tax is assessed based on the New Jersey Gross Receipts as follows:

New Jersey Gross Receipts	CBT-100/BFC-1	CBT-100U	CBT-100S
Less than \$100,000	\$500	\$2,000	\$375
\$100,000 or more but less than \$250,000	\$750	\$2,000	\$562
\$250,000 or more but less than \$500,000	\$1,000	\$2,000	\$750
\$500,000 or more but less than \$1,000,000	\$1,500	\$2,000	\$1,125
\$1,000,000 or more	\$2,000	\$2,000	\$1,500

If a taxpayer is filing a separate return and is a member of an affiliated or controlled group that has a total payroll of \$5,000,000 or more for the return period, the minimum tax is \$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.

PART IV – COMBINED RETURN FILERS SHARING CREDIT

Taxable members of a combined group may share their tax credits and credit carryovers with other taxable members of the combined group that are included on the same New Jersey combined return. The decision to share (or not share) tax credits or carryovers remains with the taxable member who generated the tax credit or carryover. Tax credits and credit carryovers may be shared among members of the same combined group regardless of whether such taxable members were part of the same combined group when the tax credit or carryover was generated.

If the taxpayer shared the credit with another taxable member of the combined group, use this portion of the form to track the member with which the credit is being shared, calculate the allowable amount that can be shared, and calculate the amount of the credit that can

be carried over for use in future tax years. A shared credit carryover belongs to the member that originally earned the credit. Generally the amount of unused tax credit may be carried forward to subsequent tax years.

Note: If the member that owns the credit is sharing a portion of their credit with multiple members, include a copy of this section for each member with which the credit is shared.

Unused Tax Credits

Unused tax credits may be claimed in subsequent tax years subject to the limitations set forth on this form.