

FORM 328
2024

New Jersey Corporation Business Tax
Tax Credit for Employers of Employees With Impairments

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.

Combined Return Filers

- ☐ The taxpayer is included as a taxable member on a New Jersey combined return. See instructions.
Fill in oval if member is not sharing its credit with other members of the group. ☐

Part I Qualifications

1. Does the taxpayer have written approval from the New Jersey Department of Labor and Workforce Development to receive this tax credit? ☐ YES ☐ NO

Note: If the answer to question 1 is "NO," do not complete the rest of this form. The taxpayer is **not** eligible for this tax credit. Otherwise, go to Part II.

Part II Calculation of the Allowable Credit Amount
(Combined return filers DO NOT complete Part II. Continue with Part III.)

2. Enter the amount of the credit certified by the Department of Labor and Workforce Development	2.	
3. Enter tax liability from page 1, line 2a of CBT-100 or CBT-100S	3.	
4. Enter the required minimum tax liability (see instructions)	4.	
5. Subtract line 4 from line 3	5.	
6. Other tax credits used by taxpayer on current year's return (see instructions):		
(a) _____		
(b) _____		
(c) _____		
(d) _____		
..... Total	6.	
7. Subtract line 6 from line 5. If zero or less, enter zero	7.	
8. Allowable credit for the current tax period. Enter lesser of line 2 or line 7 here and in Schedule A-3, Part I of the CBT-100 or CBT-100S	8.	

Note: There is no carryforward provision for this tax credit.

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Part III Calculation of Allowable Credit Amount – Combined Return Filers ONLY

Section A – ALL Combined Return Filers

9. Enter the amount of the credit certified by the Department of Labor and Workforce Development.....	9.	
10. Enter the group tax liability from Schedule A, Section II, Part III, line 4a, column (c) of CBT-100U.....	10.	
11. Enter the amount from Schedule A, Section II, Part III, line 4b, column (c) of CBT-100U.....	11.	
12. Subtract line 11 from line 10.....	12.	
13. Other tax credits used by combined group on current year's return (see instructions):		
(a) _____		
(b) _____		
(c) _____		
(d) _____		
..... Total	13.	
14. Subtract line 13 from line 12. If zero or less, enter zero.....	14.	
15. Allowable credit for the current tax period. Enter the lesser of line 9 or line 14. If sharing , also enter in the member's column of Schedule A-3, Part I of the CBT-100U	15.	

If NOT sharing credit, complete Section B.
Note: There is no carryforward provision for this tax credit.

Section B – Combined Return Filers NOT Sharing Credit

16. a) Enter combined group tax liability from line 10.....	16a.	
b) Divide line 16a by the combined group allocation factor from Schedule J, line 9.....	16b.	
c) Member's share of combined group tax liability – Multiply line 16b by member's allocation factor from Schedule J, line 9.....	16c.	
17. Required minimum tax liability.....	17.	2,000
18. Subtract line 17 from line 16c.....	18.	
19. Other tax credits used by combined group on current year's return (see instructions):		
(a) _____		
(b) _____		
(c) _____		
(d) _____		
..... Total	19.	
20. Subtract line 19 from line 18. If zero or less, enter zero.....	20.	
21. Allowable credit for the current tax period. Enter the lesser of line 15 or line 20 here and in the member's column of Schedule A-3, Part I of the CBT-100U	21.	

Note: There is no carryforward provision for this tax credit.

Instructions for Form 328

Tax Credit for Employers of Employees With Impairments

Purpose of This Form

This form must be completed by any taxpayer that claims a tax credit as provided for in N.J.S.A. 54:10A-5.42 as long as the taxpayer was approved by the New Jersey Department of Labor and Workforce Development to receive this credit. The employer, the terms of employment, and the employees have to meet the requirements of N.J.S.A. 34:11-56a39 and of N.J.S.A. 34:11-56a40.

The credit must be used the year in which it is earned. There are no carryforward provisions for this tax credit. Any unused tax credit amount is forfeited.

Parts II and III are used to calculate the allowable credit. Taxpayers filing Forms CBT-100 or CBT-100S complete Part II and CBT-100U filers complete Part III.

Combined Return Filers

If filing a combined return, this form must be completed by the member that earned the credit. All combined return filers must check the combined return filers box at the top of the form and complete Part III, Section A.

Members Opting Not to Share. In general, tax credits are earned by a member of the combined group and are shareable with the combined group. However, members are not required to share their credits. See N.J.S.A. 54:10A-4.6.i and TB-90(R), *Tax Credits and Combined Returns*. In addition to Section A, members that choose not to share must also complete Part III, Section B and fill in the oval at the top of the form to indicate they are not sharing the credit.



Taxpayers must include the appropriate credit form in the year the credit was earned even if they are not claiming the credit on their tax return.

Part I – Qualifications

To be eligible for the tax credit, the answer to question 1 must be “YES.” If the answer is “NO,” the taxpayer is not entitled to the Tax Credit for Employers of Employees With Impairments. A completed Form 328 must be included with the CBT-100, CBT-100S, or CBT-100U return to validate the claim.

Part II – Calculation of the Allowable Credit Amount (for CBT-100 and CBT-100S Filers Only)

For CBT-100 and CBT-100S filers, the allowable Tax Credit for Employers of Employees With Impairments for the current year is calculated in Part II. Combined return filers do not complete Part II, and must complete Part III instead. The amount of this credit in addition to the amount of any other tax credits taken cannot exceed an amount that would reduce the total tax liability below the statutory minimum.

Line 2 – Enter the amount of the credit approved by the Department of Labor and Workforce Development.

Line 4 – The minimum tax is assessed based on the New Jersey Gross Receipts as follows:

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

Line 6 – Taxpayers claiming multiple credits must list any credits already applied to the tax liability to ensure accuracy of the calculation for maximum credit allowable.

Part III – Calculation of the Allowable Credit Amount for Combined Return Filers

For CBT-100U filers, the allowable Tax Credit for Employers of Employees With Impairments for the current year is calculated in Part III. All combined return filers must complete Section A. Members that choose not to share their credit must also complete Section B.

Section A – To be completed by ALL combined return filers

This section calculates the amount of credit allowable for the group. If a member chooses not to share their credit with the group, Section A must still be completed to ensure the credit allowed for the member does not exceed the amount that would otherwise be allowed against the group tax liability.

The amount of the credit calculated in this section cannot reduce the tax liability to an amount less than the aggregate statutory minimum tax of the group members.

Line 9 – Enter the amount of the credit approved by the Department of Labor and Workforce Development.

Line 13 – Combined groups claiming multiple credits must list any credits already applied to the group tax liability to ensure accuracy of the calculation for maximum credit allowable.

Section B

This section is used to calculate the amount of credit allowable for members that choose not to share their credit with the group. Section B is completed based on the member's share of the group tax liability. The amount of the credit calculated in this section cannot reduce the tax liability to an amount less than \$2,000. The amount of the credit is also limited to the amount that would otherwise be allowed against the group tax liability if the member had been sharing the credit.

Line 19 – Members claiming multiple credits must list any credits already applied to the member's tax liability to ensure accuracy of the calculation for maximum credit allowable.