

INSTRUCTIONS

PURPOSE OF THIS FORM - This schedule must be completed by any taxpayer who is a certified "qualified business" desiring an employees tax credit and/or credit carry forward as provided for in the "New Jersey Urban Enterprise Zones Act" P.L. 1983, c. 303, as amended by P.L. 1988, c. 93, N.J.S.A. 52:27H-60 et seq. If the taxpayer claims this tax credit on Form CBT-100, Form CBT-100S or Form BFC-1, a completed Form 300 must be attached to the return to validate the claim.

Certification as a "qualified business" must be obtained from the New Jersey Urban Enterprise Zones Authority, PO Box 820, Trenton, New Jersey 08625-0820.

The employees tax credit cannot be claimed in the same year that an urban enterprise zone investment tax credit is claimed regardless of whether those credits were earned for the tax year or carried forward from a previous year.

NOTE: Complete only **PARTS IV** and **V** where the full amount of the Urban Enterprise Zone tax credit claimed on the current return is the result of an Urban Enterprise Zone tax credit carried forward from a previous tax year.

PART I TAXPAYER AND EMPLOYEE PRELIMINARY QUALIFICATIONS

The preliminary qualifications must be met by the taxpayer and each employee for which the one-time credit is claimed. If an answer to any one of the questions listed in PART I is "NO", the taxpayer is **NOT** entitled to the employees tax credit. Only employees hired on or after the date on which the taxpayer was certified as a "qualified business" can qualify for the tax credit.

PART II EMPLOYEE QUALIFICATIONS FOR THE \$1500 CREDIT AND

PART III EMPLOYEE QUALIFICATIONS FOR THE \$500 CREDIT

Once the preliminary qualifications have been met in PART I, the taxpayer must complete PART II and/or PART III to determine whether or not the eligible employee(s) qualifies the taxpayer for either the \$1500 or the \$500 employees tax credit. It is **important** to note that an eligible employee may qualify the taxpayer for either the \$1500 credit or the \$500 credit - **never** for both. The employee information required for PART II and PART III must be entered below on Schedule II and Schedule III respectively. Attach a rider if additional space is required.

SCHEDULE II EMPLOYEES QUALIFYING THE TAXPAYER FOR THE \$1500 CREDIT

Enter the required information for each employee meeting the qualifications stated in PART I and PART II.

Social Security Number	Name	Municipality in which the employee resides	Employment Dates	
			From	To
1.				
2.				
3.				
4.				
5. Total number of Employees Qualifying the Taxpayer for \$1500 Credit _____ (Carry to Part IV, Line 12 on reverse side.)				

SCHEDULE III EMPLOYEES QUALIFYING THE TAXPAYER FOR THE \$500 CREDIT

Enter the required information for each employee meeting the qualifications stated in PART I and PART III.

Social Security Number	Name	Municipality in which the employee resides	Employment Dates	
			From	To
1.				
2.				
3.				
4.				
5. Total number of Employees Qualifying the Taxpayer for \$500 Credit _____ (Carry to Part IV, Line 13 on reverse side.)				

PART IV CALCULATION OF THE ALLOWABLE CREDIT AMOUNT

a) The total and allowable Urban Enterprise Zone Employees Tax Credit for the current year is calculated in PART IV. 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) For returns with taxable periods beginning on or after January 1, 2006, 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.