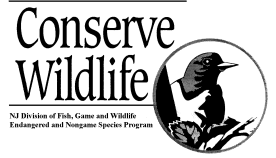


Line 2 - New Jersey — Endangered Wildlife Fund

Help keep NJ's wildlife in our future! Over 60 endangered and threatened species struggle for survival in NJ, the most densely populated state in the nation – and each day brings them closer to extinction. You can help our biologists stem the tide of species and habitat loss. Contributions from compassionate people like you go toward **conservation, research, restoration, and education** – real dollars that help the Endangered & Nongame Species Program protect imperiled animals such as the bald eagle, bobcat, and bog turtle, plus over 400 other nongame species in NJ. **We receive no state-dedicated funding and rely on your support, so this year please “Check Off for Wildlife.” Thank you!**



Please visit www.NJFishandWildlife.com/ensphome.htm for more info. For a free subscription to our newsletter, please write to *Conserve Wildlife News*, ENSP, PO Box 400, Trenton, NJ 08625, call 609-984-6012, or e-mail Linda.Tesauro@dep.state.nj.us

Line 3 - New Jersey — Children's Trust Fund... to prevent child abuse

Help protect New Jersey's children! Every year thousands of children in New Jersey are neglected and abused. The Children's Trust Fund works in all 21 counties to help prevent these terrible tragedies by supporting:

- home visiting programs for parents of newborns
- respite care for children with special needs and their families
- parent education and support groups.

We rely on your support. Every dollar you contribute goes directly to communities throughout New Jersey to prevent child abuse and neglect. **Help children in New Jersey have a safe and healthy childhood - Support the Children's Trust Fund.** Want more information? Contact: Children's Trust Fund, PO Box 711, Trenton, NJ 08625-0711 Phone: 609-633-3992 Web: <http://www.state.nj.us/humanservices/njcap.html>



Line 4 - New Jersey — Vietnam Veterans' Memorial Fund

“To Remember, To Heal, To Honor”

Your support honors 1,556 New Jerseyans whose names are engraved on the Memorial and helps us teach future generations about this unique time in our nation's history at the Vietnam Era Educational Center.

For more information, write: **New Jersey Vietnam Veterans' Memorial, PO Box 648, Holmdel, NJ 07733** or call: **1-800-648-8387**. Visit us on the Web at <http://www.njvvmf.org>.



Line 5 - New Jersey — Breast Cancer Research Fund

YOUR STATE TAX REFUND TODAY HELPS OUR DAUGHTERS TOMORROW

Join the fight against breast cancer and help New Jersey based researchers find a cure now so our daughters won't have to fight this disease in the future. 100% of your donation supports research relating to the prevention, screening, treatment, and cure of breast cancer. For further information, please contact: The New Jersey Commission on Cancer Research, PO Box 360, 28 West State Street, Rm 505, Trenton, NJ 08625-0360, Phone: 609-633-6552. Web: www.state.nj.us/health



Line 6 - New Jersey — U.S.S. New Jersey Educational Museum Fund BATTLESHIP NEW JERSEY

New Jersey's namesake Battleship would appreciate your continued support. Your contribution will be used to support the world-class Educational Museum as a tribute to Veterans of all of the Armed Forces.

For more information contact:

Battleship New Jersey Foundation, Inc.
1715 Hwy 35, Middletown, NJ 07748

Phone: 732-671-6488 Web: <http://www.battleshipnj.org> E-mail: bb62fdn@aol.com



Contributions - continued

Line 7 - New Jersey — Other Designated Contribution**01 - Drug Abuse Education Fund - THE EPIDEMIC OF DRUG ABUSE NEEDS**

YOUR HELP! Your contribution helps New Jersey children receive valuable education from highly trained uniformed law enforcement officers throughout the State in providing drug abuse education programs. Research has shown that the more resistance education children receive, the more likely they will be drug free. The monies raised will help maintain K-6 curricula and increase program activity to Middle School and High School students as well as parents.

For more information contact **D.A.R.E. New Jersey** at 292 Prospect Plains Rd., Cranbury, NJ 08512 or call 1-800 DARENJ1. Web address: <http://www/darenj.org>.

**Line 7 - New Jersey — Other Designated Contribution****02 - Korean Veterans' Memorial Fund**

"To Honor, To Educate, To Recognize, To Commemorate"

Your support to the Korean War Memorial in Atlantic City honors all the New Jerseyans who served and especially the more than 827 soldiers who died during the *Forgotten War*. We need to inform future generations of the past so that no one ever forgets these men and women. Your contribution will be used to maintain this place of honor.

For more information, write: Korean War Memorial, c/o Dept. of Military and Veterans Affairs, PO Box 340, Eggert Crossing Road, Trenton, NJ 08625-0340. Phone: 609-530-7049. <http://www.state.nj.us/military/korea/>

**Line 7 - New Jersey — Other Designated Contribution****03 - Organ and Tissue Donor Awareness Education Fund**

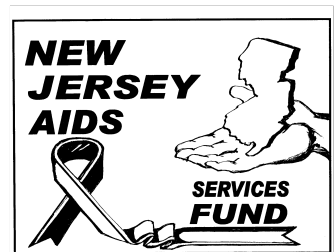
More than 2,300 critically ill New Jerseyans from all walks of life — parents, children, siblings, grandparents — are waiting for life-saving organ transplants. Each day 17 people on waiting lists will die due to the lack of donated organs. But you have the power to donate life. Just one organ and tissue donor can save up to 8 lives and enhance the health of 75 others. Your support will help raise awareness of this drastic need for organ and tissue donors. Begin today by checking off line 7 to help fund organ and tissue donor education awareness in New Jersey.

For more information, call 1-800-SHARE-NJ or visit www.sharenj.org

**Line 7 - New Jersey — Other Designated Contribution****04 - NJ-AIDS Services Fund**

New Jersey currently ranks fifth in the country in total cases of HIV infection with an estimated 50,000 people living with HIV/AIDS. Your donation will be used for prevention, education, treatment and research.

For more information write to: New Jersey AIDS Services Fund, c/o Positive Connection, 1514 Palisade Avenue, Union City, NJ 07087, or call 1-973-485-6596.

**Line 7 - New Jersey — Other Designated Contribution****05 - Literacy Volunteers of America – New Jersey Fund**

"Literacy is the key to personal freedom."

Millions of adults in New Jersey cannot read, write, or speak English well enough to successfully complete everyday tasks. Since 1979, Literacy Volunteers of America - New Jersey (LVA-NJ) has been providing leadership training, technical assistance, and management support to our network of local affiliates. These programs in turn offer personalized, one-to-one tutoring to adults at the lowest levels of literacy. We constantly strive to enhance and expand our efforts so that more and more adults may know the joy of reading and the freedom that it brings.

For more information call 908-203-4582 or visit <http://members.aol.com/lvanj>



Form NJ-1040EZ

CAUTION

Although you have been selected to receive this form, not everyone qualifies to file Form NJ-1040EZ. If you answer “Yes” to any of the questions below, you **cannot** file Form NJ-1040EZ.

- | Yes | No |
|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> Were you a New Jersey resident for only part of the year 2002? |
| <input type="checkbox"/> | <input type="checkbox"/> Is your filing status married, filing separate return? |
| <input type="checkbox"/> | <input type="checkbox"/> Do you have income other than wages, interest, and dividends? |
| <input type="checkbox"/> | <input type="checkbox"/> Is your return filed on a fiscal year basis? |
| <input type="checkbox"/> | <input type="checkbox"/> Are you filing on behalf of a deceased person? |
| <input type="checkbox"/> | <input type="checkbox"/> Do you wish to claim a credit for taxes you paid to another jurisdiction? |
| <input type="checkbox"/> | <input type="checkbox"/> Are you self-employed? |
| <input type="checkbox"/> | <input type="checkbox"/> Did you receive a capital gain distribution from a mutual fund or other regulated investment company? |
| <input type="checkbox"/> | <input type="checkbox"/> Did you have two or more employers and wish to claim a credit for excess UI/HC/WD or DI contributions withheld? |
| <input type="checkbox"/> | <input type="checkbox"/> Did you make a withdrawal from your IRA during 2002? |
| <input type="checkbox"/> | <input type="checkbox"/> Did you receive taxable pension and annuity income or early retirement benefits? |
| <input type="checkbox"/> | <input type="checkbox"/> Do you wish to use the Pension Exclusion or the Other Retirement Income Exclusion to reduce your taxable income? |
| <input type="checkbox"/> | <input type="checkbox"/> Do you wish to deduct alimony and/or separate maintenance payments you made? |
| <input type="checkbox"/> | <input type="checkbox"/> Do you wish to claim a property tax deduction/credit or homestead rebate and you:
— lived in more than one qualified New Jersey residence during the year?
— shared ownership or rent with someone other than your spouse?
— owned a home that contains more than one dwelling unit? |
| <input type="checkbox"/> | <input type="checkbox"/> Did you have income below the minimum filing threshold (see page 13), have no overpayment, and wish to file only to claim a homestead rebate? |

If you checked “Yes” to any of the above, you do not qualify to file Form NJ-1040EZ. Please see back cover for information about alternative filing methods and how to obtain forms or publications.

FILING INFORMATION

Use the following chart to determine which New Jersey income tax filing method you may use. This chart is a guide only and may not cover every situation. For information on NJ WebFile or electronic filing, see back cover. If you need assistance, contact the Division's Customer Service Center (609-292-6400).

Who Must File

As a New Jersey resident you **MUST FILE** a New Jersey resident income tax return if—

Your filing status is:	Single	Married, filing joint return
	Married, filing separate return	Head of household Qualifying widow(er)
and		
Your gross income from all sources for the entire year was more than:	\$10,000	\$20,000

How Should I File?	Form NJ-1040EZ	TeleFile (By phone)	Form NJ-1040
Residency Status	Full-year NJ resident in 2002	♦ Full-year NJ resident in 2002 AND ♦ Filed 2001 NJ resident return	Full-year or part-year NJ resident in 2002
Filing Status	Limited to: ♦ Single ♦ Married, filing joint return ♦ Head of household ♦ Qualifying widow(er)	Filing status (which must be the same as on 2001 return) limited to: ♦ Single ♦ Married, filing joint return ♦ Head of household ♦ Qualifying widow(er)	Any filing status
Personal Exemptions/ Dependents	All personal exemptions and dependents you are eligible to claim	Limited to: ♦ Regular exemption for taxpayer and spouse ♦ Dependent children and dependent children attending colleges NOTE: Taxpayers age 65 or older or blind or disabled <i>cannot</i> TeleFile.	All personal exemptions and dependents you are eligible to claim
Income Sources	Limited to: ♦ Wages ♦ Interest ♦ Dividends	Limited to: ♦ Wages ♦ Interest (\$2,500 or less) ♦ Dividends (\$2,500 or less)	All sources of income
Amount of NJ Gross Income	No limit	No limit	No limit
Deductions	Limited to: ♦ Medical expenses and Archer MSA contributions ♦ Property tax deduction*	Limited to: ♦ Property tax deduction	All deductions you are eligible to claim
Credits	Limited to: ♦ Property tax credit* ♦ NJ earned income tax credit	Limited to: ♦ Property tax credit ♦ NJ earned income tax credit ♦ Excess UI/HC/WD or disability insurance contributions	All credits you are eligible to claim
Payments	Limited to: ♦ Withholdings shown on W-2s ♦ Estimated tax payments for 2002 ♦ Credit from 2001 NJ return ♦ Payment made with extension	Limited to: Withholdings shown on W-2s	♦ Withholdings from all sources ♦ Estimated tax payments for 2002 ♦ Credit forward from 2001 NJ return ♦ Payment made with extension
Homestead Rebate	Eligible homeowners and tenants*	All eligible homeowners and tenants	All eligible homeowners and tenants

*Residents who had more than one New Jersey residence during the year, shared ownership or rent with someone other than a spouse, or whose principal residence had more than one dwelling unit CANNOT use Form NJ-1040EZ.

When to File

Generally, your New Jersey income tax return is due when your Federal income tax return is due. For calendar year filers, the 2002 New Jersey income tax return is due by April 15, 2003.



You cannot use Form NJ-1040EZ if you file on a fiscal year basis.

Postmark Date. All New Jersey income tax returns postmarked on or before the due date of the return are considered to be filed on time. Tax returns postmarked after the due date are considered to be filed late. When a return is postmarked after the due date, the filing date for that return is the date the return was received by the Division, not the postmark date of the return. Interest on unpaid liabilities is assessed from the due date of the return.

Extensions

Extensions of time are granted only to file your New Jersey resident income tax return. There are no extensions of time to pay tax due. **Penalties and interest are imposed whenever tax is paid after the original due date.**

Four-Month Extension

You may receive a four-month extension of time to file your New Jersey resident income tax return if at least 80% of the tax liability computed on your Form NJ-1040EZ when filed is paid in the form of withholdings, estimated, or other payments by the original due date, **and**

1. Federal extension filed. A copy of your Federal Application for Automatic Extension is enclosed with your final return and the oval at the top of the NJ-1040EZ is filled in (if the extension application was filed by phone or online, your confirmation number is entered in the space provided at the top of Form NJ-1040EZ); **or**

2. No Federal extension filed. You file a request for a four-month extension on Form NJ-630, Application for Extension of Time to File New Jersey Gross Income Tax Return, by the original due date of the return.

Form NJ-630 must also be filed by the original due date if you are required to make a payment to satisfy the 80% requirement.

Extensions Beyond Four Months

If you have requested and been granted a four-month extension, you may apply for an additional two-month extension before the original four-month extension expires. You must file Form NJ-630 if you require an extension of more than four months for New Jersey purposes and you are not requesting an additional two-month extension for Federal purposes. Otherwise, enclose a copy of your Federal application for an additional two-month extension with your NJ-1040EZ when filed. Taxpayers who file Form NJ-630 will not receive an approved copy. We will notify you only if your request is denied.

If you fail to satisfy the requirements outlined for extensions, or you fail to file your return by the extended due date, your extension will be denied and penalties and interest will be imposed from the original due date of the return. See "Penalties, Interest, and Collection Fees" on page 16.

How to Pay

The balance of tax due must be paid in full by the original due date of the return. If you owe less than \$1, no payment is required. You may make your payment by check or money order, electronic check (e-check), or credit card.

Check or Money Order. You will find a payment voucher (Form NJ-1040EZ-V) at the front of this booklet. If you owe tax with your 2002 return, enter the amount of tax due in the boxes on the payment voucher. Do not make changes to any information preprinted on the payment

voucher. Instead make any necessary changes on Form NJ-1040EZ. For information about mailing forms, see "Where to Send Your Return" on page 15.

Make check or money order payable to **State of New Jersey – TGI**. Write your social security number on the check or money order. Use social security numbers of both husband and wife for a joint return. Send your payment for the balance due with the payment voucher in the same envelope with your tax return.

If you are paying a balance due for the 2002 tax year and are making the first installment of estimated tax for 2003, please use separate checks or money orders for each payment. Send your 2003 estimated tax payment with an NJ-1040-ES voucher to the address on that payment voucher. **Do not include the estimated tax payment with your 2002 income tax return.**

Electronic Check (e-check). You may be able to pay your 2002 New Jersey income taxes or make a payment of estimated tax for 2003 by e-check. This option is available on the Division's Web site (www.state.nj.us/treasury/taxation/). Taxpayers who do not have Internet access can make a payment by e-check by contacting the Division's Customer Service Center at 609-292-6400. Do not send in the payment voucher if you pay your taxes by e-check.

When using e-check on the Web, you will need your social security number and 4-digit Personal Identification Number (PIN) to make a payment. Be sure the social security number you enter matches the first social security number shown on the form for which you are making your payment.

You will need your bank's 9-digit routing number and your account number to make a payment by e-check. Do not enter the check number as part of the account number. **NOTE:** The routing and account numbers may be in different places on your check.

John Smith
Jane Smith
123 Main Street
Trenton, NJ 08611

Date _____

PAY TO THE ORDER OF _____ \$ _____

Anyplace Bank
Trenton, NJ 08611

For _____

10250250025 : 202020861 : 1234

1234
15-000/0000

Routing number
Account number
Do not include the check number

DOLLARS

How to Pay - continued

Your PIN ensures that no one else may tamper with your payment. If you filed a joint return last year, both you and your spouse are assigned separate PINs. If you received a booklet with your name and address preprinted on the face of the fold-out insert located at the front of this booklet, your PIN(s) are found on the same panel as your preprinted label. Be sure to use the PIN that is listed first on the insert. If you are not using the label because your filing status is different than the filing status on your 2001 return, enter the PIN that corresponds to the name on your 2002 return.

If you do not have a preprinted label and PIN(s), you may request a PIN on the Division's Web site and it will be sent to you by U.S. Mail. When requesting a PIN online, enter the first social security number shown on the form for which you will make your payment.

NOTE:

- (1) If you do not enter your social security number and Personal Identification Number (PIN) properly, you will not be able to pay by e-check.
- (2) If you are filing a New Jersey return for the first time, or your filing status is different than the filing status on your 2001 return, you may not be able to pay by e-check.

Credit Card. You may pay your 2002 New Jersey income taxes or make a payment of estimated tax for 2003 by credit card. Pay by phone (1-800-2PAYTAX, toll-free) or directly over the Internet (www.officialpayments.com) and use a Visa, American Express, MasterCard, or Discover/Novus credit card. Do not send in the payment voucher if you pay your taxes by credit card.

There is a convenience fee of 2.5% paid directly to Official Payments Corporation based on the amount of your tax payment.

Time Limit for Assessing Additional Taxes. The Division of Taxation has three years from the date you filed your income tax return or the original due date of the return, whichever is later, to send you a bill for additional taxes you owe. There is no time limit if you did not file your tax

Credit Card Payment Convenience Fee Schedule

Transaction Amount	Convenience Fee	Total Amount
\$ 100.00	\$ 2.50	\$ 102.50
200.00	5.00	205.00
400.00	10.00	410.00
600.00	15.00	615.00
1,000.00	25.00	1,025.00
1,400.00	35.00	1,435.00
2,000.00	50.00	2,050.00
2,700.00	67.50	2,767.50
3,500.00	87.50	3,587.50
4,400.00	110.00	4,510.00
5,400.00	135.00	5,535.00
6,400.00	160.00	6,560.00
7,400.00	185.00	7,585.00
8,700.00	217.50	8,917.50
10,400.00	260.00	10,660.00
13,000.00	325.00	13,325.00
17,400.00	435.00	17,835.00
21,000.00	525.00	21,525.00
28,000.00	700.00	28,700.00
36,000.00	900.00	36,900.00
45,000.00	1,125.00	46,125.00
55,000.00	1,375.00	56,375.00
66,000.00	1,650.00	67,650.00
77,000.00	1,925.00	78,925.00
88,000.00	2,200.00	90,200.00

NOTE: Fee schedule is subject to change.
For payments above \$100,000, please contact the
Official Payments Corp. Special Services Group at
1-877-754-4420

return, or if you filed a false or fraudulent return with the intent to evade tax. The time limit may be extended if:

- ◆ You amended or the IRS adjusted your Federal taxable income or your Federal earned income credit;
- ◆ You amended your New Jersey taxable income;
- ◆ You entered into a written agreement with the Division extending the time to make an assessment;
- ◆ You omit more than 25% of your gross income on your New Jersey income tax return; or
- ◆ An erroneous refund is made as a result of fraud or misrepresentation by the taxpayer.

Where to Send Your Return

Your packet contains a large envelope. Use the large envelope to mail your NJ-1040EZ along with related enclosures, payment voucher, and check or money order for any tax due. On the flap of the large envelope you will find preprinted address labels with different addresses for different categories of returns. **To ensure your return is mailed properly:**

1. Remove all labels along perforations from envelope flap; and
2. Choose the correct label for your return.

Mail Returns Requesting a Refund (or with No Tax Due) to:

STATE OF NEW JERSEY
DIVISION OF TAXATION
REVENUE PROCESSING CENTER
PO Box 640
TRENTON NJ 08646-0640

Mail Returns Indicating Tax Due Together with Payment Voucher and Check or Money Order to:

STATE OF NEW JERSEY
DIVISION OF TAXATION
REVENUE PROCESSING CENTER
PO Box 641
TRENTON NJ 08646-0641

3. Moisten and affix only the correct label on the front of the large return envelope.

Do not staple, paper clip, or tape your check or money order to the voucher.

Refunds

A return must be filed to claim a refund for overpayment of tax. If the refund is \$1 or less, you must enclose a statement specifically requesting it.

Time Period for Refunds. You have three years from the date the return was filed or two years from the time tax was paid, whichever was later, to claim a refund. If you and the Division agree in writing to extend the period of assessment, the period for filing a refund claim will also be extended.

Refunds - continued

Interest Paid on Refunds. If the Division takes more than six months to send you your income tax refund, you have a right to receive interest on that refund. Interest at the prime rate, compounded annually, will be paid from the *later* of:

- ♦ the date the refund claim was filed;
- ♦ the date the tax was paid; or
- ♦ the due date of the return.

No interest will be paid when an overpayment is credited to the next year's tax liability, or on an overpayment or portion of an overpayment which consists of a New Jersey earned income tax credit.

New Jersey law requires that any money owed to the State of New Jersey, any of its agencies, or the Internal Revenue Service be deducted from your refund or credit before it is issued. Homestead rebates may also be affected. These debts include, among other things, money owed for past due taxes, child support due under a court order, school loans, and IRS levies. If the Division applies your refund, credit, or rebate to any of these debts, you will be notified through the mail.

Deceased Taxpayers



You cannot use Form NJ-1040EZ if you are filing on behalf of a person who received

income in 2002 but died before filing a return.

Estimated Tax

Estimated tax means the amount which you estimate to be your income tax for the taxable year after subtracting payments, withholdings, and other credits.



You are required to make estimated tax payments using Form NJ-1040-ES

when your estimated tax exceeds \$400. Instructions for computing the estimated tax and making the payments are included with the form. Review the amount of your New Jersey gross income tax on your expected gross income (after deductions and credits) to determine if you need to make estimated tax payments for 2003.

To avoid having to make estimated tax payments, you may ask your employer to withhold an additional amount from your wages by completing Form NJ-W4. Failure to file a Declaration of Estimated Tax or pay all or part of an underpayment *will result in interest charges* on the underpayment.

Underpayment of Estimated Tax. If you failed to make all of the required estimated tax payments as described above, you should request Form NJ-2210, Underpayment of Estimated Tax by Individuals, Estates or Trusts. Complete Form NJ-2210 to determine if interest is due and if so, calculate the amount. If you complete and enclose Form NJ-2210 with your return, fill in the oval below Line 27.

Amended Returns

If you received an additional tax statement (W-2 or 1099) after your return was filed, or you discovered that you made any error or omission on your return, file an amended New Jersey resident return, Form NJ-1040X.

Changes in Your Federal Income Tax or Federal Earned Income Credit.

If you receive a notice from the Internal Revenue Service that they changed your reported income, and that change altered your New Jersey taxable income, or if you receive a notice that your Federal earned income credit has been changed, and that change alters your New Jersey earned income tax credit, you must notify the Division of the change in writing within 90 days. File an amended tax return and pay any additional tax due.

If you file an amended Federal return which changes your New Jersey taxable income or your Federal earned income credit, you must file an amended New Jersey resident return, Form NJ-1040X, within 90 days.

Accounting Method

Use the same accounting method for New Jersey gross income tax that you used for Federal income tax purposes. Income must be recognized and reported in the same period as it is recognized and reported for Federal income tax purposes.

Rounding Off to Whole Dollars

When completing your return you **must** show the money items in whole dollars. If you have to add two or more items to figure the total to enter on a line, include cents when adding the items and round off only the total. When entering the rounded total on the line, eliminate any amount under 50 cents and increase any amount 50 cents or more to the next higher dollar.

Penalties, Interest, and Collection Fees

Penalty and interest should be included with the payment of any tax due.

Late Filing Penalty

5% per month (or fraction of a month) up to a maximum of 25% of the outstanding tax liability when a return is filed after the due date or extended due date. Also, a penalty of \$100 for each month the return is late may be imposed.

Late Payment Penalty

5% of the outstanding tax balance may be imposed.

Interest

3% above the prime rate for every month or fraction of a month the tax is unpaid, compounded annually. At the end of each calendar year, any tax, penalties, and interest remaining due (unpaid) will become part of the balance on which interest is charged.

Collection Fees

In addition, if your tax bill is sent to our collection agency, a referral cost recovery fee of 10% of the tax due may be added to your liability. If a certificate of debt is issued for your outstanding liability, a fee for the cost of collection of tax may also be imposed.

Keeping Tax Records

Keep copies of your tax returns and the supporting documentation of income, age and/or disability, deductions, and credits until the statute of limitations has expired for each return. Generally, this is three years after the filing date or two years from the date the tax was paid, whichever is later.

Privacy Act Notification

The Federal Privacy Act of 1974 requires an agency requesting information from individuals to inform them why the request is being made and how the information is being used.

Your social security number is used primarily to account for and give credit for tax payments. The Division of Taxation also uses social security numbers in the administration and enforcement of all tax laws for which it is responsible. In addition,

the Division of Taxation is required by law to forward an annual list to the Administrative Office of the Courts containing the names, addresses, and social security numbers of individuals who file a New Jersey resident tax return or home-stead rebate application. This list will be used to avoid duplication of names on jury lists.

Federal/State Tax Agreement

The New Jersey Division of Taxation and the Internal Revenue Service have entered

into a Federal/State Agreement to exchange income tax information in order to verify the accuracy and consistency of information reported on Federal and New Jersey income tax returns.

Fraudulent Return

Any person who deliberately fails to file a return, files a fraudulent return, or attempts to evade the tax in any manner may be liable for a penalty up to \$7,500 or imprisonment for a term between three and five years or both.

2002 Form NJ-1040EZ Line by Line Instructions

Social Security Number

TAX TIP



Your social security number(s) is not printed on your name and address label. **You must enter your social security number(s)** in the space provided on the return, one digit in each box. If your filing status is married, filing joint return, remember to report both spouses' numbers in the order in which the names are listed on the return.

County/Municipality Code

Check the county/municipality code on your label (see example below). **Do not use the label if any of the information is incorrect.** If your label contains inaccurate information or you do not have a label, enter your four-digit code, one digit in each box, from the table on page 31. If your municipality is not listed, enter the code for the municipality where you pay your property taxes. This code identifies the county and municipality of your current residence. The county and municipality codes in these instructions are for Division of Taxation purposes only.

XXXXXXXXXXXXXXXXXXXXXXXXXXXX
SMIT 1111
SMITH JOHN & JANE
123 MAIN STREET
TRENTON, NJ 08611

County/Municipality Code

123123123900

Name and Address

Place the peel-off label at the front of this booklet in the name and address section at the top of the return. **Do not use the label if any of the information is incorrect.** If your label contains inaccurate information or you do not have a label, print or type your name (last name first), complete address and zip code in the spaces provided. Also include your spouse's name if filing jointly. Your refund and next year's form will be sent to the address you provide.

If your legal residence and the address on the return differ, enclose a statement of explanation to avoid a delay in processing.

Filing Status (Lines 1 - 5)

Generally, you must use the same filing status on your New Jersey return as you do for Federal income tax purposes. Indicate the appropriate filing status. Fill in only **one** oval.

If spouses file a joint Federal income tax return, they must also file a joint New Jersey income tax return. If spouses file separate Federal returns, separate State returns must also be filed.



You cannot use Form NJ-1040EZ if your filing status is married, filing separate return.

If you meet the requirements to file as head of household for Federal income tax purposes, you may file as head of house-

hold for New Jersey. Certain married individuals living apart may file as head of household for New Jersey if they meet the requirements to file as head of household for Federal purposes.

For more information on filing status, order Tax Topic Bulletin GIT-4, *Filing Status*.

Exemptions - Personal (Lines 6 - 8)

The exemptions claimed on Lines 6, 7, and 8 apply only to you and your spouse. The exemptions for age and disability are not available for dependents.

Line 6 - Regular Exemptions

As a taxpayer you may claim a personal exemption for yourself, even if you are a minor who is claimed as a dependent on your parents' return. For your convenience, "Yourself" is already filled in. If you are filing a joint return, fill in the spouse oval as well. Add the number of ovals filled in and enter the result in the red box on Line 6.

Line 7 - Age 65 or Older

If either you or your spouse were 65 years of age or older at the end of the tax year, you (and your spouse if qualified) are eligible for an additional exemption. *You must enclose proof of age such as a copy of a birth certificate, driver's license, or church records with your return the first*

Line 7 - Age 65 or Older - continued

time you claim the exemption. Fill in the appropriate oval(s). Add the number of ovals filled in and enter the result in the red box on Line 7.

Line 8 - Blind or Disabled

If either you or your spouse were blind or disabled at the end of the tax year, you (and your spouse if qualified) are eligible for an additional exemption. "Disabled" means total and permanent inability to engage in any substantial gainful activity because of any physical or mental impairment, including blindness. *You must enclose a copy of the doctor's certificate or other medical records with your return the first time you claim the exemption.* This information need not be submitted each year providing there is no change in your condition. Fill in the appropriate oval(s). Add the number of ovals filled in and enter the result in the red box on Line 8.

Exemptions - Dependency (Lines 9 - 11)

The exemptions claimed on Lines 9, 10, and 11 apply only to dependents. The exemption for dependents attending colleges is not available to you, the taxpayer, or your spouse.

Line 9 - Dependent Children

You may claim an exemption for each dependent child who qualifies as your dependent for Federal income tax purposes. Enter the number of your dependent children in the red box on Line 9.

Line 10 - Other Dependents

You may claim an exemption for each other dependent who qualifies as your dependent for Federal income tax purposes. Enter the number of your other dependents in the red box on Line 10.

Line 11 - Dependents Attending Colleges

You may claim an additional exemption for each dependent under age 22 who is a full-time student at an accredited college or postsecondary institution for whom you paid one-half or more of the tuition and maintenance costs. Financial aid re-

New Jersey gross income also **includes** the following which are not subject to Federal income tax:

- ♦ Interest from obligations of states and their political subdivisions, other than New Jersey and its political subdivisions
- ♦ Income earned by a resident from foreign employment
- ♦ Certain contributions to pensions and tax-deferred annuities
- ♦ Employee contributions to Federal Thrift Savings Funds, 403(b), 457, SEP, or any other type of retirement plan other than 401(k) Plans

ceived by the student is not calculated into your cost when totaling one-half of your dependent's tuition and maintenance. However, the money earned by students in College Work Study Programs is income and is taken into account. **Remember, to claim this additional exemption, each dependent must have already been claimed on Line 9 or 10.**

Requirements

- ♦ Student must be **under 22 years of age** for the entire tax year.
- ♦ Student must attend full-time. "Full-time" is determined by the institution.
- ♦ Student must spend at least some part of each of five calendar months of the tax year at school.
- ♦ The educational institution must maintain a regular faculty and curriculum and have a body of students in attendance.

Enter the number of exemptions for your qualified dependents attending colleges in the red box on Line 11.

Line 12 - Totals

Add Lines 6, 7, 8, and 11 and enter the total in the red box on Line 12a. Add Lines 9 and 10 and enter that total in the red box on Line 12b.

Lines 12c - e - Exemption Amount

Calculate your total exemption amount as follows:

From Line 12a _____ × \$1,000 = _____

From Line 12b _____ × \$1,500 = _____

Line 12e - Total Exemption Amount _____

Enter the number of exemptions from Line 12a, Form NJ-1040EZ. Multiply the

number by \$1,000 and enter the result on Line 12c.

Enter the number of exemptions from Line 12b, Form NJ-1040EZ. Multiply the number by \$1,500 and enter the result on Line 12d.

Add together the exemption amounts calculated above and enter the total on Line 12e and Line 17, Form NJ-1040EZ.

Income (Lines 13 - 15)

Gross income means all income you received in the form of money, goods, property, and services unless specifically exempt by law. As a New Jersey resident you must report all taxable income you receive, whether from New Jersey or not, on your return.



You cannot use Form NJ-1040EZ if you had income other than wages, interest, or dividends.

NOTE: For a listing of taxable and tax-exempt income, order Tax Topic Bulletin GIT-11, *New Jersey Resident Return Examples*.

Line 13 - Wages, Salaries, Tips, etc.

Enter the total amount you received during the taxable year from wages, salaries, tips, fees, commissions, bonuses, and other payments received for services performed as an employee. Include all payments you received whether in cash, benefits, or property.

Enter the total of State wages, salaries, tips, etc. from **all** employment both inside and outside New Jersey. **Be sure to take the figure(s) from the "State wages" box on your W-2(s).** See sample W-2 on page 19. All W-2(s) must be enclosed

continued

Line 13 - Wages, Salaries, Tips, etc. - continued

with your tax return. **Do not** staple W-2(s) to your return.

NOTE: The "State wages" figure on W-2(s) you received from employment outside New Jersey may need to be adjusted to reflect New Jersey tax law.



You cannot use Form NJ-1040EZ if you paid taxes to another jurisdiction on the wages entered on this line and wish to claim a credit.

Retirement Plan Contributions. Under New Jersey law, contributions to retirement plans (other than 401(k) Plans) are included in the State wages figure on the W-2 in the year the wages are earned. This may cause your State wages figure to be higher than your Federal wages figure.

Federal Statutory Employees. If you are considered a "statutory employee" for Federal income tax purposes, you may not

deduct your business expenses unless you are self-employed or an independent contractor under New Jersey law. The Federal label of "statutory employee" has no meaning for New Jersey gross income tax purposes. Business expenses may only be deducted from the business income of a self-employed individual.



If you are a self-employed individual, you cannot use Form NJ-1040EZ.

Meals and/or Lodging. You may exclude from the amount reported on Line 13 meals and/or lodging reported as wages on your W-2 provided that:

1. The meals and/or lodging were furnished on the business premises of your employer; and
2. The meals and/or lodging were furnished for the convenience of your employer; and

For lodging only:

3. You were required to accept the lodging as a condition of your employment.

If you exclude the value of meals and/or lodging from your wages, you **must** enclose a signed statement explaining how you have met these conditions. If the statement is not enclosed, your wages will be adjusted to represent the full amount shown on your W-2.

Food and maintenance payments made to New Jersey State Police officers as part of their union contract **cannot** be excluded from gross income. These payments do not meet the criteria above.

Employee Business Expenses. Employee business expenses are **not** deductible for New Jersey gross income tax purposes. However, you may exclude from the amount reported on Line 13 reimbursements for employee business expenses reported as wages on your W-2 provided that:

continued

Sample W-2 (This form is for illustration only and is not reproducible.)

a Control number		22222		Void <input type="checkbox"/>		For Official Use Only ▶ OMB No. 1545-0008		
b Employer identification number				1 Wages, tips, other compensation	2 Federal income tax withheld			
c Employer's name, address, and ZIP code				\$	\$			
d Employee's social security number				3 Social security wages	4 Social security tax withheld			
				\$	\$			
				5 Medical expenses and tips	6 Medical insurance withheld			
				\$	\$			
				7 Statutory tips	8 Allowance for state and local taxes			
e Employer name and address				9 Advance payment of federal income tax	10 Dependent care benefits			
				\$	\$			
f Employee's address and ZIP code				11 Health and pension plans	12a See instructions for box 12			
				\$	\$			
				13 Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>	12b			
				\$	\$			
14 Other UI/HC/WD - \$99.88 DI - \$117.50 DI P.P. #(Private Plan No.)				12c				
				\$				
				12d				
\$				\$				
15 State Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name			
NJ 234-567-890/000	\$ 32,250.00	\$ 525.00	\$	\$				
	\$	\$	\$	\$				
Form W-2 Wage and Tax Statement		2002		Department of the Treasury—Internal Revenue Service For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.				

Line 13 - Wages, Salaries, Tips, etc. - continued

1. The expenses for which you are reimbursed are job-related expenses;
2. You are required to and do account for these expenses to your employer; and
3. You are reimbursed by your employer in the exact amount of the allowable expenses.

If you receive excludable reimbursements for employee business expenses which are included in your wages on your W-2, enclose a statement explaining the amount you are excluding and your reasons for excluding this amount. Also enclose a copy of your Federal Form 2106.

Commuter Transportation Benefits.

Certain amounts you receive from your employer up to \$1,200 for using an alternative means of commuting (such as public transportation, carpools, vanpools, etc.) may be excluded from your New Jersey gross income. Commuter transportation benefits may not be excluded from gross income unless your employer provides those benefits *in addition to* your regular compensation.

If the commuter transportation benefits you received exceed the maximum excludable amount, the excess amount is taxable and is included in your gross income. Your W-2 form will show both the taxable and nontaxable benefit amounts. The taxable benefits are included in the "State wages" figure on your W-2, while the nontaxable benefits are not.

An employee who receives money towards commuter transportation benefits must provide his/her employer with suitable proof (receipts, ticket stubs, etc.) to show that the employer-provided money was used for an alternative means of commuting.

Moving Expenses. Moving expenses are **not** deductible for New Jersey gross income tax purposes. However, you may exclude from the amount reported on Line 13 reimbursements for the following moving expenses if the Federal requirements to claim moving expenses were met and the expenses were included in wages on your W-2.

1. The cost of moving your household goods and personal effects from the old home to the new home.
2. The actual expenses incurred by you for traveling, meals, and lodging when moving you and your family from your old residence to your new residence.

Reimbursements for any other moving expense may not be excluded from income.

If you receive excludable reimbursements for moving expenses which are included in your wages on your W-2, enclose a statement explaining the amount you are excluding and your reasons for excluding this amount. Also enclose a copy of your Federal Form 3903.

Compensation for Injuries or Sickness.

Certain amounts received for personal injuries or sickness are not subject to tax. You may exclude from the amount reported on Line 13 such amounts included as wages on your W-2 provided that:

1. The payments must be compensation for wage loss which results from absence due to injury or sickness of the employee; and
2. The payments must be due and payable under an enforceable contractual obligation under the plan; and
3. The payments must not relate to sick leave wage continuation, the taking of which is largely discretionary and the payments are made regardless of the reason for absence from work.

If such payments are included in the State wage figure on your W-2, you must file Form NJ-2440 with your New Jersey return to exclude them.

Line 14a - Taxable Interest

Report on Line 14a all of your taxable interest from sources both inside and outside of New Jersey from your Form 1099 statement(s). Include all taxable interest income even if you did not receive a Form 1099. New Jersey taxable interest income includes interest from the following:

- ♦ Banks
- ♦ Savings and loan associations
- ♦ Credit unions
- ♦ Savings accounts
- ♦ Earnings on nonqualified withdrawals from qualified state tuition program accounts, including the New Jersey Better Educational Savings Trust Program (NJBEST) accounts
- ♦ Distributions from Coverdell education savings accounts (ESAs), but only the earnings portion
- ♦ Checking accounts
- ♦ Bonds and notes
- ♦ Certificates of deposit
- ♦ Ginnie Maes
- ♦ Fannie Maes
- ♦ Freddie Macs
- ♦ Repurchase agreements
- ♦ Life insurance dividends
- ♦ Obligations of states and their political subdivisions, other than New Jersey
- ♦ Any other interest not specifically exempt

Forfeiture Penalty for Early Withdrawal.

If you incur a penalty by withdrawing a time deposit early, you may subtract the amount of the penalty from your interest income.

If your taxable interest income on Line 14a is more than \$1,500, enclose a copy of Schedule B, Federal Form 1040, or Schedule 1, Federal Form 1040A.

Line 14b - Tax-Exempt Interest

Report all of your tax-exempt interest, as well as exempt interest dividends from a New Jersey Qualified Investment Fund, on Line 14b. **If Line 14b is more than \$10,000, you must include an itemized schedule detailing the amount received from each source.** New Jersey tax-exempt interest income includes interest from:

- ♦ Obligations of the State of New Jersey or any of its political subdivisions
- ♦ Direct Federal obligations such as U.S. Savings Bonds and Treasury Bills, Notes, and Bonds
- ♦ Earnings on qualified withdrawals from qualified state tuition program accounts, including the New Jersey

Line 14b - Tax-Exempt Interest - continued

Better Educational Savings Trust Program (NJBEST) accounts

- ♦ Sallie Maes
- ♦ CATS and TIGRS
- ♦ Certain distributions from "New Jersey Qualified Investment Funds"
- ♦ Distributions paid by mutual funds to the extent the distributions are attributable to interest earned on Federal obligations

New Jersey Qualified Investment

Funds. A New Jersey Qualified Investment Fund is a regulated investment company in which at least 80% of the fund's investments (other than cash or receivables) are obligations issued either directly by the Federal government or the State of New Jersey or any of its political subdivisions. The Fund must certify such status with the Division of Taxation annually. If you received a distribution from a qualified investment fund, you may exclude from your income only the portion of the distribution which comes from qualified exempt obligations. Although excluded from income, the tax-exempt portion is reported on Line 14b. The taxable portion of the distribution, if any, is reported as dividends on Line 15. By February 15, shareholders should be notified by the New Jersey qualified investment fund of the portion of their distribution that may be excluded from income. Contact your broker to determine whether your fund qualifies.

Do not report interest earned on your IRA(s) on Line 14b, Tax-Exempt Interest Income.

When you total your interest income on Lines 14a and 14b, the amount should match the total of the taxable and tax-exempt interest you reported on your Federal income tax return (if you filed a Federal 1040). Enclose a statement with your NJ-1040EZ explaining the difference, if the amounts do not match. For more information on tax-exempt interest income, order Tax Topic Bulletin GIT-5, *Exempt Obligations*.

Line 15 - Dividends

Enter on Line 15 the amount of dividends received during the year from investments

Worksheet A Deduction for Medical Expenses (Keep for your records)	
1. Total nonreimbursed medical expenses	1. _____
2. Enter Line 16, NJ-1040EZ _____ × .02 =	2. _____
3. Medical Expenses Deduction. Subtract line 2 from line 1 and enter result here. If zero or less, enter zero	3. _____
4. Enter the amount of your qualified Archer MSA contributions from Federal Form 8853	4. _____
5. Total Deduction for Medical Expenses. Add lines 3 and 4. Enter the result here and on Line 18, Form NJ-1040EZ. If zero, enter zero here and make no entry on Line 18, Form NJ-1040EZ	5. _____

(e.g., from stocks, mutual funds) or other income-producing activities which do not constitute a trade or business. The total amount of taxable dividends received, **regardless of where earned**, must be reported.



You cannot use Form NJ-1040EZ if you received capital gain distributions from mutual funds or other regulated investment companies.

Tax-Free Distributions. A distribution which is a return of your investment or capital and does not come from earnings or profits is a nontaxable capital or tax-free distribution. These distributions reduce the basis of the stock or investment and are not taxable until your investment is fully recovered.

Insurance Premiums. Dividends received from insurance companies are not taxable unless the dividends received exceed the premiums paid. Any interest from accumulated insurance dividends is taxable and must be reported on Line 14a.

Line 16 - New Jersey Gross Income

Enter on Line 16 the total of Lines 13, 14a, and 15.



If you were a New Jersey resident for the entire year and your Gross Income on Line 16 is \$20,000 or less (\$10,000 if filing status is single), you have no tax liability to New Jersey and

no return must be filed. If you are filing a return only to obtain a refund of taxes withheld or estimated payments made or to apply for the New Jersey earned income tax credit, stop here. Continue completing the return with Line 23. See instructions on page 24.

NOTE: If you qualify, you may receive a New Jersey earned income tax credit even if you have no tax liability to New Jersey and are not required to file a return. See the instructions for Line 28.

Exemptions and Deductions (Lines 17 - 18)

New Jersey law does not allow deductions for adjustments taken on the Federal return such as employee business expenses, IRA contributions, and Keogh Plan contributions. However, be sure to keep records of all contributions to IRAs and Keogh Plans. You will need this information when you make withdrawals in future years.

Line 17 - Exemptions

Enter the total exemption amount you calculated at Line 12e.

Line 18 - Medical Expenses

You may deduct certain medical expenses that you paid during the year for yourself, your spouse, and your dependents. However, you cannot deduct expenses for which you were reimbursed. Only expenses in excess of 2% of your income may be deducted. You may also deduct qualified Archer medical savings account

Line 18 - Medical Expenses - continued

(MSA) contributions. Use Worksheet A to calculate your deduction for medical expenses/Archer MSA contributions.

Allowable Medical Expenses. *Medical expenses* means nonreimbursed payments for physicians, dental and other medical fees, prescription eyeglasses and contact lenses, hospital care, nursing care, medicines and drugs, prosthetic devices, X-rays, and other diagnostic services conducted by or directed by a physician or dentist. In addition, medical expenses may also include amounts paid for transportation primarily for and essential to medical care and insurance (including amounts paid as premiums under Part B of Title XVIII of the Social Security Act, relating to supplementary medical insurance for the aged) covering medical care. As a general rule, medical expenses allowed for Federal income tax purposes will be allowed for New Jersey income tax purposes.

NOTE: Do not include on line 1, Worksheet A, contributions you made to an Archer MSA or any amounts paid or disbursed from an Archer MSA that have been excluded from gross income.

Archer MSA Contributions. Enter on line 4, Worksheet A, the amount of your qualified Archer MSA contributions from Federal Form 8853. New Jersey follows the Federal rules for this deduction. Your contribution may not exceed 75% of the amount of your annual health plan deductible (65% if you have a self-only plan). Enclose Federal Form 8853 with your return. Excess contributions that you withdraw before the due date of your tax return are not taxable. However, you must report the earnings associated with the excess contributions you withdraw as wages on Line 13.

Line 19 - Taxable Income

Subtract Lines 17 and 18 from Line 16 and enter the result on Line 19. If Line 19 is zero or less, make no entry.

Property Tax Deduction/ Credit (Lines 20 and 26)

Eligible homeowners and tenants who pay property taxes, either directly or through

rent, qualify for either a deduction or a refundable credit.

The property tax **deduction** reduces your taxable income. Your tax benefit varies depending on the amount of your taxable income, the amount of your property taxes or rent, and your filing status. To determine the actual tax benefit you will receive (how much you will reduce your tax liability) when claiming a property tax deduction, you must calculate your tax liability both with a deduction and without a deduction. The property tax **credit** reduces your tax due. The credit increases the total payments and/or credits on Line 29, Form NJ-1040EZ. These payments and/or credits are subtracted directly from your tax liability. Taxpayers who do not reduce their tax liability by \$50 or more when claiming the property tax deduction should claim the property tax credit.

For recorded information on the property tax deduction/credit, call our automated TaxTalk service from a Touch-tone phone at 1-800-323-4400 (toll-free within New Jersey, New York, Pennsylvania, Delaware, and Maryland) or 609-826-4400. You may also request our publication *Property Tax Deduction/Credit Frequently Asked Questions*. See "NJ TaxTalk" on page 43.

Eligibility Requirements. To be eligible for a property tax deduction **or** credit:

- ◆ You must have been domiciled and maintained a principal residence as a homeowner or tenant in New Jersey during 2002; and
- ◆ Your principal residence, whether owned or rented, must be subject to local property taxes, and property taxes must have been paid on that residence either as actual property taxes or through rent; and
- ◆ Your rented dwelling must have its own separate kitchen and bath facilities; and
- ◆ Your gross income on Line 16 is more than \$20,000 (\$10,000 if filing status is single) **or** you or your spouse were 65 years of age or older or blind or disabled at the end of the tax year.

Taxpayers who were not 65 years of age or older or blind or disabled on December 31, 2002, with gross income of \$20,000 or less (\$10,000 if filing status is single) are not eligible for a property tax credit.

Principal Residence. A principal residence means a homestead, either owned or rented, actually and continually occupied as your permanent residence. No property tax deduction or credit is allowed for a vacation home, a "second home," or property which the owner rents to someone else.



You cannot use Form NJ-1040EZ if you lived at more than one qualified New Jersey residence during the year, shared ownership or rent with someone other than your spouse, or you owned a residence containing more than one dwelling unit and you wish to claim a property tax deduction/credit.

Homeowners. You may claim a property tax deduction or credit for the home in New Jersey that you owned and lived in as your principal residence provided it was subject to local property taxes.

Condominiums and Co-ops. A condominium unit or a unit in a cooperative housing complex or mutual housing corporation is considered a single-family dwelling for purposes of the property tax deduction or credit.

Continuing Care Communities. As a resident in a continuing care retirement community, you may qualify for a property tax deduction or credit as a homeowner if the continuing care contract requires you to bear the proportionate share of property taxes attributable to your unit.

Disabled Veterans. Totally and permanently disabled veterans who have a 100% exemption from local property taxes are **not** eligible for a property tax deduction or credit. If any portion of the dwelling is rented to a tenant and property taxes are paid by the disabled veteran owner on the rented portion, any tenant may be eligible for a property tax deduction or

Property Tax Deduction/Credit (Lines 20 and 26) - continued

credit, but the property owner is not eligible.

Life Tenancy. You are also a homeowner if you have life tenancy rights or hold a lease for 99 years or more.

Tenants. You may claim a property tax deduction or credit for a home or apartment you rented in New Jersey and lived in as your principal residence, provided that the building is subject to local property taxes and contains its own separate kitchen and bathroom. You do not qualify for a property tax deduction or credit if you reside in a unit which only has access to a kitchen or bathroom.

Mobile Homes. If you own a mobile home which is located in a mobile home park, you qualify for a property tax deduction or credit as a tenant. For more information on mobile homes, contact the New Jersey Division of Taxation Customer Service Center.

Tax-Exempt, Subsidized, and Campus Housing. Tenants living in dwellings which are not subject to local

property taxes are not eligible for a property tax deduction or credit. This includes tenants living in tax-exempt housing or other dwellings owned by the State, County, Municipal, or Federal government; students living in on-campus apartments at State colleges and universities; and tenants living in dwellings owned by religious, charitable, or other nonprofit organizations (including on-campus apartments at private nonprofit colleges and universities), if the property is exempt from local property taxes. **Do not enter a figure on Line 20 or Line 26 of the tax return. If you are not sure whether the dwelling you rent is subject to local property taxes, contact your municipal tax assessor for information. The Division of Taxation audits returns to ensure that only qualified applicants claim the property tax deduction or the property tax credit.**

Seniors or Blind/Disabled Persons. If either you or your spouse were 65 years of age or older or blind or disabled at the

end of the tax year, and your gross income on Line 16 is \$20,000 or less (\$10,000 if filing status is single), and you satisfy the eligibility requirements, you qualify for a property tax credit in the amount of \$50. Complete the Homestead Rebate Application on the back of Form NJ-1040EZ, and your credit will automatically be sent to you with your homestead rebate. **Do not** complete Line 20 to claim a property tax deduction **or** Line 26 to claim a property tax credit.

Line 20 - Property Tax Deduction

If you satisfied the eligibility requirements, you may deduct 100% of property taxes due and paid **or** \$10,000, whichever is less. For tenants, 18% of the rent paid during the year is considered property taxes paid. Complete Schedule 1 below to determine the amount of your property tax deduction and whether you should elect to take the property tax credit on Line 26 instead of the deduction on Line 20.

Schedule 1 – Property Tax Deduction/Credit

Complete both columns of this schedule to find out whether the Property Tax Deduction or the Property Tax Credit is better for you.

- 1. **Property Tax.** Enter the property taxes you paid in 2002. Renters enter 18% of rent paid in 2002. **See instructions page 24.** 1. _____
- 2. **Property Tax Deduction.** Enter Line 1 or \$10,000, whichever is less. Also enter this amount on Line 4 below. **See instructions page 24.** 2. _____

	Column A	Column B
3. Taxable Income (Copy from Line 19 of your NJ-1040EZ)	3. _____	3. _____
4. Property Tax Deduction (Copy from Line 2 of this schedule)	4. _____	4. - 0 -
5. Taxable Income After Property Tax Deduction (Subtract Line 4 from Line 3)	5. _____	5. _____
6. Tax you would pay on Line 5 amount (Go to Tax Tables or Tax Rate Schedules and enter amount)	6. _____	6. _____
7. Now, subtract Line 6, Column A from Line 6, Column B and enter the result here	7. _____	7. _____

8. Is the Line 7 amount \$50 or more?

- Yes. You receive a greater tax benefit by taking the Property Tax Deduction. Enter the amount on Line 4, Column A of this schedule on Line 20 of Form NJ-1040EZ. Make no entry on Line 26 of Form NJ-1040EZ and complete the balance of the return.
- No. You receive a greater tax benefit from the Property Tax Credit. Enter \$50 on Line 26 of Form NJ-1040EZ. Make no entry on Line 20 of Form NJ-1040EZ and complete the balance of the return. **See instructions page 24.**

Line 1 - Property Tax/Rent

Enter on Line 1 your property taxes (or 18% of rent) due and paid during 2002 on your qualified residence.



You cannot use Form NJ-1040EZ if you lived at more than one qualified New Jersey resi-

dence during the year, shared ownership or rent with someone other than your spouse, or you owned a residence containing more than one dwelling unit and you wish to claim a property tax deduction/credit.



Property Tax Reimbursement Recipients. If you did not receive a Prop-

erty Tax Reimbursement for 2001, and you are eligible for a Property Tax Reimbursement for 2002, you must enter on Line 1 the amount of your **2001 property taxes** due and paid as reported on your 2002 Property Tax Reimbursement Application, Form PTR-1. (Mobile home owners enter 18% of 2001 site fees.)

If you received a Property Tax Reimbursement for 2001 and you continued to meet the eligibility requirements through

2002, enter the amount of your base year property taxes or 18% of your base year site fees on Line 1. (The amount of your base year property taxes or site fees is shown on Line 11 of your New Jersey Property Tax Reimbursement Application, Form PTR-2.)

For more information on the Property Tax Reimbursement Program, request our publication *Property Tax Reimbursement Frequently Asked Questions*.

Line 2 - Property Tax Deduction

Enter the amount on Line 1 or \$10,000, whichever is less. Also enter this amount on Line 4, Column A.

Line 3 - Taxable Income

For each column, enter on Line 3, Schedule 1 the amount from Line 19, Form NJ-1040EZ.

Line 4 - Property Tax Deduction

Enter on Line 4, Column A the amount from Line 2, Schedule 1.

Line 5 - Taxable Income After Property Tax Deduction

For each column, subtract Line 4 from Line 3 and enter the result on Line 5.

Line 6 - Tax on Line 5

For each column, enter on Line 6 the amount of tax on the income shown on Line 5. Use the Tax Table on page 33 or the Tax Rate Schedules on page 42 to calculate the amount of tax.

Lines 7 and 8 - Deduction/Credit Determination

To determine whether a property tax deduction or a property tax credit is more beneficial to you, subtract Line 6, Column A from Line 6, Column B and enter the result on Line 7. If Line 7 is \$50 or more, you will receive a greater benefit by taking the property tax deduction. Enter the amount from Line 4, Column A on Line 20, Form NJ-1040EZ and make no entry on Line 26, Form NJ-1040EZ. If Line 7 is less than \$50, you will receive a greater benefit by taking the property tax credit. Enter \$50 on Line 26, Form NJ-1040EZ and make no entry on Line 20, Form NJ-1040EZ.

2002 Form NJ-1040EZ Line by Line Instructions

Line 21 - New Jersey Taxable Income

Subtract Line 20 from Line 19. If zero or less, make no entry.

Line 22 - Tax on Amount on Line 21

Compute your tax by using one of the following methods.

Tax Table. If your New Jersey taxable income is less than \$100,000, you may use the New Jersey Tax Table on page 33 or the New Jersey Tax Rate Schedules on page 42 to find your tax. When using the tax table, be sure to use the correct column. After you have found your tax, enter the amount on Line 22.

Tax Rate Schedules. You must use the New Jersey Tax Rate Schedules on page 42 if your New Jersey taxable income is \$100,000 or more. Use the correct schedule for your filing status. After you have calculated your tax, enter the amount on Line 22.

Line 23 - Use Tax Due on Out-of-State Purchases

If you were a New Jersey resident and you purchased items or services that were subject to New Jersey sales tax, you are liable for the use tax at the rate of 6% of the purchase price if:

1. Sales tax has not been paid; **or**
2. Sales tax has been collected out of State at a rate less than 6%.

In determining the net amount of use tax due, sales tax paid to certain other states may be taken as credit. Use tax is due 20 days after the items enter New Jersey. Use Form ST-18 to remit the use tax on a more timely basis. See page 43 of this booklet for information on how to obtain Form ST-18 and other forms.

If you owe use tax and are remitting it with Form NJ-1040EZ, enter the amount on Line 23. If you owe no use tax, enter "0."

Line 24 - Total Tax

Enter on Line 24 the total of Lines 22 and 23.

Line 25 - New Jersey Income Tax Withheld

Enter on Line 25 the total New Jersey income tax withheld, as shown on your W-2 statement(s). The W-2 must indicate the amount of New Jersey tax withheld and the "State" box must indicate that the tax withheld was New Jersey income tax. See sample W-2 on page 19. Enclose the state copy of each W-2.

Do not include on Line 25 amounts withheld as New Jersey unemployment insurance/health care subsidy fund/workforce development partnership fund contributions (shown on the W-2 as UI/HC/WD, if combined, or UI, HC, and WD if stated separately) or New Jersey disability insurance contributions (may be shown as DI). These are **not** New Jersey income tax withholdings and may not be used as credits on Line 25.



For 2002, the maximum employee contribution for UI/HC/WD was \$99.88 and the maximum employee contribution for DI was \$117.50. You cannot use Form NJ-1040EZ if you had two or more employers and you wish to claim a credit for excess UI/HC/WD or DI contributions withheld.

All W-2 statements must reflect your correct social security number for the withholdings to be credited. If the social security number is missing or incorrect, you must obtain a corrected W-2 from your employer. Only your employer/payer can issue or correct this form. If you have not received a W-2 form by February 15, 2003, or if the form you received is incorrect, contact your employer/payer immediately.

Line 26 - Property Tax Credit

If you satisfied the eligibility requirements (see page 22) and you did not claim a property tax deduction on Line 20, you qualify for a property tax credit.

Do not complete Line 26 if:

- ◆ You claimed a property tax deduction on Line 20; or
- ◆ Your gross income on Line 16, Form NJ-1040EZ is \$20,000 or less (\$10,000 if filing status is single).

NOTE: If you are 65 years of age or older or blind or disabled, and you are not required to file Form NJ-1040EZ because your gross income on Line 16 is \$20,000 or less (\$10,000 if filing status is single), and you satisfy the eligibility requirements, you qualify for a property tax credit in the amount of \$50. If you have an overpayment on Line 31, complete and file the homestead rebate application on the back of Form NJ-1040EZ, and your credit will automatically be paid with your homestead rebate. Do not claim the property tax deduction (Line 20) or the property tax credit (Line 26) on Form NJ-1040EZ.

If your income on Line 16 is below the minimum filing threshold (see page 13) and you do not have an overpayment on Line 31, you cannot use Form NJ-1040EZ to apply for a homestead rebate. You need to file Form HR-1040 or use another filing method (see back cover).

Line 27 - New Jersey Estimated Payments/Credit From 2001 Return

Enter on Line 27 the total of:

- ◆ Estimated tax payments made for 2002
- ◆ Credit applied from your 2001 tax return*
- ◆ Amount, if any, paid to qualify for an extension of time to file

*This is the amount of overpayment that you chose to carry forward on Line 1 of the "Deductions From Overpayment" section of your 2001 NJ-1040EZ resident return (or Line 52 of your 2001 NJ-1040) as a credit towards your income tax liability for 2002. If you received a refund check for 2001, do not enter the amount of that refund check on Line 27.


Underpayment of Estimated Tax. Fill in the oval below Line 27 if you are enclosing Form NJ-2210. See "Estimated Tax" on page 16.

Payments Made Under Another Name or Social Security Number. If you changed your name because of marriage, divorce, etc., and you made estimated tax payments using your former name, en-

close a statement with your return explaining all the payments you and/or your spouse made for 2002 and the name(s) and social security number(s) under which you made payments.

If your spouse died during the year and any estimated payment(s) were made under the deceased spouse's social security number and other payments were made under your social security number, you must enclose a statement with your return listing the social security numbers and the amounts submitted under each social security number.

New Jersey Earned Income Tax Credit (Line 28)

TAX TIP  The New Jersey earned income tax credit is a credit for certain taxpayers who work and have earned income. The credit reduces the amount of tax you owe and may also give you a refund, even if you have no tax liability to New Jersey. If you are eligible and file for a Federal earned income credit, you may also be eligible for a New Jersey earned income tax credit.

You must file a New Jersey resident income tax return to receive a New Jersey earned income tax credit, even if you are not required to file a return because your gross income is below the minimum income filing threshold.

New for 2002 For tax year 2002, you are allowed a credit in the amount of 17.5% of your Federal earned income credit if:

- ◆ The filing status on both your Federal return and your New Jersey return is married, filing joint return, head of household, or qualifying widow(er); and
- ◆ Your New Jersey gross income on Line 16, Form NJ-1040EZ is \$20,000 or less; and
- ◆ You have at least one "qualifying child" for purposes of the Federal earned income credit.

New Jersey Earned Income Tax Credit (Line 28) - continued

NOTE: If your filing status is single, you may not claim a New Jersey earned income tax credit.

Line 28 - New Jersey Earned Income Tax Credit

If you satisfy the eligibility requirements above, complete the Earned Income Tax Credit Schedule on page 2 of Form NJ-1040EZ to calculate the amount of your New Jersey earned income tax credit.

Completing the Earned Income Tax Credit Schedule

Line 1. If you filed a 2002 Federal Schedule EIC on which you listed at least one "qualifying child," fill in the "Yes" oval. Otherwise, fill in "No." If you did not file a 2002 Federal Schedule EIC or if you did not have a qualifying child, you are not eligible for a New Jersey earned income tax credit.

Line 2. If you asked the Internal Revenue Service to calculate your Federal earned income credit, fill in the oval at Line 2. The IRS will provide information regarding Federal earned income credit recipients to the Division of Taxation in October 2003. Please allow at least 4–6 weeks for the Division to process the information and issue a check for your New Jersey earned income tax credit.

Line 3. Enter the amount of your Federal earned income credit from your 2002 Federal Form 1040 or Form 1040A.

Line 4. Enter 17.5% of Line 3, your Federal earned income credit.

Federal Earned Income Credit \times .175 = Line 4

Enter the amount from Line 4 of the Earned Income Tax Credit Schedule on Line 28, Form NJ-1040EZ.

Line 29 - Total Payments and Credits

Add Lines 25 through 28 and enter the result on Line 29.

Line 30 - Amount of Tax You Owe

If Line 24 is more than Line 29, subtract Line 29 (Total Payments and Credits) from

Line 24 (Total Tax) and enter the result on Line 30. This is the amount you owe.

If you owe tax you may make a donation on Lines 2, 3, 4, 5, 6, and/or 7 in the "Deductions from Overpayment" section (page 2, Form NJ-1040EZ), by adding the amount of your donation to your payment amount.

If you are enclosing Form NJ-2210, the amount of your payment should also include interest calculated for the underpayment of estimated tax. See "Estimated Tax" on page 16. Make your check or money order for the total amount payable to "State of New Jersey – TGI."

You may pay your 2002 New Jersey income taxes by electronic check (e-check) or credit card (Visa, American Express, MasterCard, or Discover/Novus). See "How to Pay" on page 14. Fill in the oval below Line 30 if you are paying by e-check or credit card. Do not send in the payment voucher if you pay your taxes by e-check or credit card.

Line 31 - Overpayment

If Line 24 is less than Line 29, subtract Line 24 (Total Tax) from Line 29 (Total Payments and Credits) and enter the result on Line 31.

Line 32 - Total Deductions From Overpayment

You must complete the "Deductions From Overpayment" section on page 2, Form NJ-1040EZ before completing Line 32.

Deductions From Overpayment:

Line 1 - Credit to Your 2003 Tax. Enter on Line 1 the amount of your overpayment that you wish to credit to your 2003 tax liability.

Contributions (Lines 2 - 7). Whether you have an overpayment or a balance due, you may make a donation to any of the following funds:

- ♦ Endangered Wildlife Fund
- ♦ Children's Trust Fund
- ♦ Vietnam Veterans' Memorial Fund
- ♦ Breast Cancer Research Fund
- ♦ U.S.S. New Jersey Educational Museum Fund

You may also make a donation to one of the following funds on Line 7:

- ♦ Drug Abuse Education Fund (01); or
 - ♦ Korean Veterans' Memorial Fund (02); or
 - ♦ Organ and Tissue Donor Awareness Education Fund (03); or
- New for 2002*
- ♦ NJ-AIDS Services Fund (04); or
 - ♦ Literacy Volunteers of America – New Jersey Fund (05).

Indicate the amount you want to contribute by checking the appropriate box(es) or enter any amount you wish to contribute.

If you are making a donation on Line 7, also enter the code number (01, 02, 03, 04, or 05) for the fund of your choice. For your convenience, "0" is already entered.

The amount you donate will reduce your refund or increase your balance due. An amount must be entered when making a contribution.

If you are making a donation on Line 2, 3, 4, 5, 6, and/or 7, and you have a balance due, increase the amount of your payment by the amount you wish to contribute. If you are paying your tax due by check and including a donation, your check or money order must be made out to "State of New Jersey – TGI," not to the charity or charities you selected. Your donation will be deposited in the appropriate fund(s) when your return is processed.

Line 8 - Total Deductions From Overpayment. Enter on Line 8 the total of Lines 1 through 7. Also enter this amount on Line 32.

Line 33 - Refund

Subtract Line 32 from Line 31. Enter the result on Line 33. This is the amount of your refund.

Gubernatorial Elections Fund

The Gubernatorial Elections Fund, financed by taxpayer designated \$1 contributions, provides partial public financing to qualified candidates for the office of Governor of New Jersey. With its con-

continued

Gubernatorial Elections Fund - continued

tribution and expenditure limits, the Gubernatorial Public Financing Program has since 1977 assisted 56 candidates to conduct their campaigns free from the improper influence of excessive campaign contributions. Operation of the program has also permitted candidates of limited financial means to run for election to the State's highest office. As a condition of their receipt of public financing, candidates must agree to participate in two debates which provide the public with an opportunity to hear the views of each candidate. For more information on the Gubernatorial Public Financing Program, contact the New Jersey Election Law Enforcement Commission at 609-292-8700 or write to:

NJ ELECTION LAW ENFORCEMENT COMMISSION
PO BOX 185
TRENTON NJ 08625-0185

Lists of contributors to gubernatorial candidates may be viewed on the Election Law Enforcement Commission Web site at: www.elec.state.nj.us.

Participation in the \$1 income tax check-off protects the continuity and integrity of the Gubernatorial Elections Fund by providing that funds will be reserved for future gubernatorial elections thereby

detering the use of needed funding for other purposes. If you want to designate \$1 to go to help candidates for governor pay campaign expenses, fill in the "Yes" oval in the Gubernatorial Elections Fund section of the return. If you are filing a joint return, your spouse may also designate \$1 to this fund. **Filling in the "Yes" oval will not in any way increase your tax liability or reduce your refund.**

Signatures

Sign and date your return in blue or black ink. Both husband and wife must sign a joint return. The signature(s) on the form you file must be original; photocopied signatures are not acceptable. A return without the proper signatures cannot be processed and will be returned to you. This causes unnecessary processing delays and may result in penalties for late filing or a delay or denial of your home-
stead rebate.

TAX TIP Preparer Authorization.



Because of the strict provisions of confidentiality, Division of Taxation personnel may not discuss your return or enclosures with anyone other than you without your written authorization. If, for any reason, you want a Division of Taxation representa-

tive to discuss your tax return with the individual who signed your return as your "Paid Tax Preparer," we must have your permission to do so. To authorize the Division of Taxation to discuss your return and enclosures with your "Paid Tax Preparer," fill in the oval below "Your Signature" line.

Don't Need Forms Mailed to You Next Year? Taxpayers who pay someone else to prepare their returns probably do not use the income tax return booklets mailed to them each year. If you do **not** need a booklet mailed to you next year, fill in the oval below "Spouse's Signature" line. Telling us that you do not need a booklet next year will help us reduce printing and mailing costs.

Tax Preparers. Anyone who prepares a return for a fee must sign the return as a "Paid Preparer" and enter his or her social security number or Federal preparer tax identification number. Include the company or corporation name and Federal identification number, if applicable. A tax preparer who fails to sign the return or provide a tax identification number may incur a \$25 penalty for each omission. Someone who prepares your return but does not charge you should not sign your return.

Rebate Calculations

For tax year 2002, homestead rebates will be calculated as shown on the following chart.

Taxpayers Age 65 or Over and/or Totally and Permanently Disabled

		if your filing status is:	and your gross income is:	your rebate amount will be:
			over but not over	
Homeowners	<i>Married, Filing Joint Return</i>		\$ 0 \$ 70,000	Equal to the amount that property tax paid exceeds 5% of gross income. Not less than \$150 or more than \$790.
	<i>or</i>			
	<i>Head of Household</i>			
	<i>or</i>	70,000	100,000	\$ 100
	<i>Qualifying Widow(er)</i>	100,000		0 (not eligible)
			\$ 0 \$ 35,000	Equal to the amount that property tax paid exceeds 5% of gross income. Not less than \$150 or more than \$790.
	<i>Single</i>	35,000	70,000	\$ 150
		70,000	100,000	100
		100,000		0 (not eligible)
Tenants	<i>Married, Filing Joint Return</i>		\$ 0 \$ 70,000	Equal to the amount that rent constituting property tax (18% of rent) exceeds 5% of gross income. Not less than \$100 or more than \$790.
	<i>or</i>			
	<i>Head of Household</i>			
	<i>or</i>	70,000	100,000	\$ 100
	<i>Qualifying Widow(er)</i>	100,000		0 (not eligible)
			\$ 0 \$ 35,000	Equal to the amount that rent constituting property tax (18% of rent) exceeds 5% of gross income. Not less than \$100 or more than \$790.
	<i>Single</i>	35,000	100,000	\$ 100
		100,000		0 (not eligible)

Taxpayers Under Age 65 and Not Totally and Permanently Disabled

	if your gross income is:	your rebate amount will be:
Homeowners	\$ 40,000 or less	Maximum \$90
Tenants	\$100,000 or less	Maximum \$100

Qualifications

To be eligible for a New Jersey homestead rebate:

- ◆ You must have been domiciled and maintained a principal residence as a homeowner or tenant in New Jersey during 2002; and
- ◆ Your gross income for the entire year must have been \$100,000 or less (see Note under Line 1, Gross Income, below). If you were a homeowner under 65 and not blind or disabled, you are not eligible for a homestead rebate if your income is over \$40,000; and
- ◆ Your principal residence, whether owned or rented, must be subject to local property taxes, and property taxes must have been paid on that residence either as actual property taxes or through rent; and
- ◆ Your rented dwelling must have its own separate kitchen and bath facilities; and
- ◆ You must file Form NJ-1040EZ by **April 15, 2003**, or if you are filing under an extension, by the extended due date.



You cannot use Form NJ-1040EZ to apply for a homestead rebate if your income on

Line 16 is below the minimum filing threshold (see page 13) and you do not have an overpayment on Line 31. In that case, you have until January 15, 2004, to apply for your homestead rebate using Form HR-1040.

Principal Residence. A principal residence means a homestead, either owned or rented, actually and continually occupied as your permanent residence. No rebate will be granted for a vacation home, a "second home," or property which the owner rents to someone else.



You cannot use Form NJ-1040EZ to claim a homestead rebate if you lived at more than

one qualified New Jersey residence during the year, shared ownership or rent with someone other than your spouse, or you owned a residence containing more than one dwelling unit.

Tax-Exempt, Subsidized, and Campus Housing

Do not complete the Homestead Rebate Application on the back of Form NJ-1040EZ if the dwelling you rent is not subject to local property taxes; you do not qualify for a rebate. If you are not sure whether the dwelling you rent is subject to local property taxes, contact your municipal tax assessor for information. The Division of Taxation audits returns to ensure that only qualified applicants receive rebates.

Homeowners

You may claim a rebate for the home in New Jersey that you owned and lived in as your principal residence provided it was subject to local property taxes.

Condominiums and Co-ops. A condominium unit or a unit in a cooperative housing complex or mutual housing corporation is considered a single-family dwelling for purposes of the rebate.

Continuing Care Communities. As a resident in a continuing care retirement community, you may qualify for a rebate as a homeowner if the continuing care contract requires you to bear the proportionate share of property taxes attributable to your unit.

Disabled Veterans. Totally and permanently disabled veterans who have a 100% exemption from local property taxes are **not** eligible for a homestead rebate. If any portion of the dwelling is rented to a tenant and property taxes are paid by the disabled veteran owner on the rented portion, any tenant may be eligible for a homestead rebate, but the property owner is not eligible.

Life Tenancy. You are also a homeowner if you have life tenancy rights or hold a lease for 99 years or more.

Tenants

You may claim a rebate if you rented a home or an apartment in a dwelling subject to local property taxes which contained its own separate kitchen and bathroom. You do not qualify for a rebate if you reside in a unit which only has access to a kitchen or bathroom.

Mobile Homes. If you own a mobile home which is located in a mobile home park, you qualify for a rebate as a tenant.

For more information on mobile homes, contact the Division's Customer Service Center.

Rebate Application

Line 1 - Gross Income

Enter on Line 1 the amount of income reported on Line 16, Form NJ-1040EZ.

NOTE:

- ◆ Social Security and Railroad Retirement benefits are exempt from New Jersey income tax and should not be reported as income on Line 1.
- ◆ If the amount on Line 1 is more than \$100,000, you are not eligible for a 2002 homestead rebate. If you were a homeowner under 65 and not blind or disabled, you are not eligible for a homestead rebate if your income is over \$40,000. Do not complete the homestead rebate application.

Line 2 - Address

Complete the street address and municipality of the New Jersey residence for which the rebate is claimed if different from the address on the front of Form NJ-1040EZ.

Line 3 - Homeowner/Tenant Status

Fill in the oval to indicate whether you were a homeowner or a tenant during 2002. Fill in only one oval.

Homeowners (Lines 4 and 5)

Line 4 - Block and Lot Number

If you filled in "Homeowner" on Line 3, enter the Block and Lot Number of your principal residence on December 31, 2002, or the last day that you were a resi-

Homeowners (Lines 4 and 5) - continued

dent homeowner in 2002. Include qualifier if applicable. (Only condominiums may have qualifiers assigned to them.) You may obtain this information from your current property tax bill or from your local tax assessor.

Line 5 - Property Tax

Enter on Line 5 the total amount of property taxes paid on your principal residence in New Jersey during the year. Report only the actual amount of property taxes that were due and paid to the local taxing authorities during 2002. If no property tax payments were made by December 31, 2002, you may not claim a homestead rebate.

Residents of cooperative dwelling units must obtain from their cooperative's management their share of property taxes for the residential unit they occupy.

Residents of continuing care retirement facilities may not include charges for anything other than their share of property taxes as specified in their continuing care contract.

Tenants (Line 6)

Line 6 - Rent

Enter on Line 6 the total amount of rent paid on your principal residence in New Jersey during the year.

NOTE: The Division of Taxation will calculate the amount of your rebate based on the information you provide. If you are also eligible for the NJ SAVER rebate, you will receive either a homestead rebate or the NJ SAVER rebate, whichever provides the higher benefit. Although the homestead rebate and NJ SAVER rebate have similar eligibility requirements, they have separate applications which must be filed for each program.

For more information on how the homestead rebate is calculated, request Tax Topic Bulletin HR-2, *Homestead Rebate Guidelines*. For more information on the NJ SAVER rebate, request our publication, *NJ SAVER Rebate Frequently Asked Questions*.

Assembling Your Return

Be sure to check the following before mailing your completed return:

- **File only original forms.** The State is unable to scan photocopies of tax returns.
- **Check your math.**
- **Check name, address, social security number, and county/municipality code** for accuracy when using the label or writing information on the return.
- **Sign and date your return.** Both spouses must sign a joint return.
- **Homestead rebate application.** An incomplete application may delay your rebate.
- **Enclose** all supporting documents and schedules with the return including:
 - W-2(s) that indicate NJ withholdings
 - If appropriate, New Jersey Form NJ-630 or NJ-2440
 - If appropriate, proof of age and/or disability the first time you claim the exemption(s) on your return
 - If appropriate, copy of Federal Form(s):

Schedule B or Schedule 1 for interest over \$1,500	Form 4868 for filing under a Federal extension
Form 2106 for employee business expenses	Form 8853 for Archer MSA contributions
Form 3903 for moving expenses	
- **Balance due.** Complete the Payment Voucher, Form NJ-1040EZ-V, and return it with your payment if paying by check or money order. Write your social security number on your check or money order. If paying by e-check or credit card, do not include the payment voucher.
- **Use the large envelope** to mail Form NJ-1040EZ with related enclosures, payment voucher, and check or money order. On the flap of the large envelope you will find two address labels. Choose the label that applies.
- **Keep a copy of your return** and all supporting documents or schedules.

Enter the appropriate four-digit number in the boxes on Form NJ-1040EZ. The County/Municipality Codes reflected below are for the Division of Taxation purposes only.

Municipality	Code	Municipality	Code	Municipality	Code	Municipality	Code
ATLANTIC COUNTY							
Absecon City	0101	Ridgewood Village	0251	Gibbsboro Borough	0413	Nutley Township	0716
Atlantic City	0102	River Edge Borough	0252	Gloucester City	0414	Orange City Township	0717
Brigantine City	0103	Rivervale Township	0253	Gloucester Township	0415	Roseland Borough	0718
Buena Borough	0104	Rochelle Park Township	0254	Haddon Township	0416	South Orange Village Twp.	0719
Buena Vista Township	0105	Rockleigh Borough	0255	Haddonfield Borough	0417	Verona Township	0720
Corbin City	0106	Rutherford Borough	0256	Haddon Heights Borough	0418	West Caldwell Township	0721
Egg Harbor City	0107	Saddle Brook Township	0257	Hi Nella Borough	0419	West Orange Township	0722
Egg Harbor Township	0108	Saddle River Borough	0258	Laurel Springs Borough	0420	GLOUCESTER COUNTY	
Estell Manor City	0109	South Hackensack Twp.	0259	Lawnside Borough	0421	Clayton Borough	0801
Folsom Borough	0110	Teaneck Township	0260	Lindenwold Borough	0422	Deptford Township	0802
Galloway Township	0111	Tenafly Borough	0261	Magnolia Borough	0423	East Greenwich Township	0803
Hamilton Township	0112	Teterboro Borough	0262	Merchantville Borough	0424	Elk Township	0804
Hammonton Town	0113	Upper Saddle River Bor.	0263	Mount Ephraim Borough	0425	Franklin Township	0805
Linwood City	0114	Waldwick Borough	0264	Oaklyn Borough	0426	Glassboro Borough	0806
Longport Borough	0115	Wallington Borough	0265	Pennsauken Township	0427	Greenwich Township	0807
Margate City	0116	Washington Township	0266	Pine Hill Borough	0428	Harrison Township	0808
Mullica Township	0117	Westwood Borough	0267	Pine Valley Borough	0429	Logan Township	0809
Northfield City	0118	Woodcliff Lake Borough	0268	Runnemede Borough	0430	Mantua Township	0810
Pleasantville City	0119	Wood Ridge Borough	0269	Somerdale Borough	0431	Monroe Township	0811
Port Republic City	0120	Wyckoff Township	0270	Stratford Borough	0432	National Park Borough	0812
Somers Point City	0121	BURLINGTON COUNTY		Tavistock Borough	0433	Newfield Borough	0813
Ventnor City	0122	Bass River Township	0301	Voorhees Township	0434	Paulsboro Borough	0814
Weymouth Township	0123	Beverly City	0302	Waterford Township	0435	Pitman Borough	0815
BERGEN COUNTY		Bordentown City	0303	Winslow Township	0436	South Harrison Township	0816
Allendale Borough	0201	Bordentown Township	0304	Woodlynne Borough	0437	Swedesboro Borough	0817
Alpine Borough	0202	Burlington City	0305	CAPE MAY COUNTY			
Bergenfield Borough	0203	Burlington Township	0306	Avalon Borough	0501	Washington Township	0818
Bogota Borough	0204	Chesterfield Township	0307	Cape May City	0502	Wenonah Borough	0819
Carlstadt Borough	0205	Cinnaminson Township	0308	Cape May Point Borough	0503	West Deptford Township	0820
Cliffside Park Borough	0206	Delanco Township	0309	Dennis Township	0504	Westville Borough	0821
Closter Borough	0207	Delran Township	0310	Lower Township	0505	Woodbury City	0822
Cresskill Borough	0208	Eastampton Township	0311	Middle Township	0506	Woodbury Heights Bor.	0823
Demarest Borough	0209	Edgewater Park Township	0312	North Wildwood City	0507	Woolwich Township	0824
Dumont Borough	0210	Evesham Township	0313	Ocean City	0508	HUDSON COUNTY	
East Rutherford Borough	0212	Fieldsboro Borough	0314	Sea Isle City	0509	Bayonne City	0901
Edgewater Borough	0213	Florence Township	0315	Stone Harbor Borough	0510	East Newark Borough	0902
Elmwood Park Borough	0211	Hainesport Township	0316	Upper Township	0511	Guttenberg Town	0903
Emerson Borough	0214	Lumberton Township	0317	West Cape May Borough	0512	Harrison Town	0904
Englewood City	0215	Mansfield Township	0318	West Wildwood Borough	0513	Hoboken City	0905
Englewood Cliffs Boro	0216	Maple Shade Township	0319	Wildwood City	0514	Jersey City	0906
Fair Lawn Borough	0217	Medford Township	0320	Wildwood Crest Borough	0515	Kearny Town	0907
Fairview Borough	0218	Medford Lakes Borough	0321	Woodbine Borough	0516	North Bergen Township	0908
Fort Lee Borough	0219	Moorestown Township	0322	CUMBERLAND COUNTY			
Franklin Lakes Borough	0220	Mount Holly Township	0323	Bridgeton City	0601	Secaucus Town	0909
Garfield City	0221	Mount Laurel Township	0324	Commercial Township	0602	Union City	0910
Glen Rock Borough	0222	New Hanover Township	0325	Deerfield Township	0603	Weehawken Township	0911
Hackensack City	0223	North Hanover Township	0326	Downe Township	0604	West New York Town	0912
Harrington Park Borough	0224	Palmyra Borough	0327	Fairfield Township	0605	HUNTERDON COUNTY	
Hasbrouck Heights Bor.	0225	Pemberton Borough	0328	Greenwich Township	0606	Alexandria Township	1001
Haworth Borough	0226	Pemberton Township	0329	Hopewell Township	0607	Bethlehem Township	1002
Hillsdale Borough	0227	Riverside Township	0330	Lawrence Township	0608	Bloomsbury Borough	1003
Hohokus Borough	0228	Riverton Borough	0331	Maurice River Township	0609	Califon Borough	1004
Leonia Borough	0229	Shamong Township	0332	Millville City	0610	Clinton Town	1005
Little Ferry Borough	0230	Southampton Township	0333	Shiloh Borough	0611	Clinton Township	1006
Lodi Borough	0231	Springfield Township	0334	Stow Creek Township	0612	Delaware Township	1007
Lyndhurst Township	0232	Tabernacle Township	0335	Upper Deerfield Twp.	0613	East Amwell Township	1008
Mahwah Township	0233	Washington Township	0336	Vineland City	0614	Flemington Borough	1009
Maywood Borough	0234	Westampton Township	0337	ESSEX COUNTY			
Midland Park Borough	0235	Willingboro Township	0338	Belleville Township	0701	Franklin Township	1010
Montvale Borough	0236	Woodland Township	0339	Bloomfield Township	0702	Frenchtown Borough	1011
Moonachie Borough	0237	Wrightstown Borough	0340	Caldwell Borough Twp.	0703	Glen Gardner Borough	1012
New Milford Borough	0238	CAMDEN COUNTY		Cedar Grove Township	0704	Hampton Borough	1013
North Arlington Borough	0239	Audubon Borough	0401	East Orange City	0705	High Bridge Borough	1014
Northvale Borough	0240	Audubon Park Borough	0402	Essex Fells Twp.	0706	Holland Township	1015
Norwood Borough	0241	Barrington Borough	0403	Fairfield Township	0707	Kingwood Township	1016
Oakland Borough	0242	Bellmawr Borough	0404	Glen Ridge Twp.	0708	Lambertville City	1017
Old Tappan Borough	0243	Berlin Borough	0405	Irvington Township	0709	Lebanon Borough	1018
Oradell Borough	0244	Berlin Township	0406	Livingston Township	0710	Lebanon Township	1019
Palisades Park Borough	0245	Brooklawn Borough	0407	Maplewood Township	0711	Milford Borough	1020
Paramus Borough	0246	Camden City	0408	Millburn Township	0712	Raritan Township	1021
Park Ridge Borough	0247	Cherry Hill Township	0409	Montclair Township	0713	Readington Township	1022
Ramsey Borough	0248	Chesilhurst Borough	0410	Newark City	0714	Stockton Borough	1023
Ridgefield Borough	0249	Clementon Borough	0411	North Caldwell Twp.	0715	Tewksbury Township	1024
Ridgefield Park Village	0250	Collingswood Borough	0412				

Enter the appropriate four-digit number in the boxes on Form NJ-1040EZ. The County/Municipality Codes reflected below are for the Division of Taxation purposes only.

Municipality	Code	Municipality	Code	Municipality	Code	Municipality	Code
MERCER COUNTY							
East Windsor Township	1101	Monmouth Beach Borough	1334	Lakehurst Borough	1514	Warren Township	1820
Ewing Township	1102	Neptune City Borough	1336	Lakewood Township	1515	Watchung Borough	1821
Hamilton Township	1103	Neptune Township	1335	Lavallette Borough	1516	SUSSEX COUNTY	
Hightstown Borough	1104	Ocean Township	1337	Little Egg Harbor Twp.	1517	Andover Borough	1901
Hopewell Borough	1105	Oceanport Borough	1338	Long Beach Township	1518	Andover Township	1902
Hopewell Township	1106	Red Bank Borough	1339	Manchester Township	1519	Branchville Borough	1903
Lawrence Township	1107	Roosevelt Borough	1340	Mantoloking Borough	1520	Byram Township	1904
Pennington Borough	1108	Rumson Borough	1341	Ocean Gate Borough	1522	Frankford Township	1905
Princeton Borough	1109	Sea Bright Borough	1342	Ocean Township	1521	Franklin Borough	1906
Princeton Township	1110	Sea Girt Borough	1343	Pine Beach Borough	1523	Fredon Township	1907
Trenton City	1111	Shrewsbury Borough	1344	Plumsted Township	1524	Green Township	1908
Washington Township	1112	Shrewsbury Township	1345	Point Pleasant Borough	1525	Hamburg Borough	1909
West Windsor Township	1113	South Belmar Borough	1346	Pt. Pleasant Beach Bor.	1526	Hampton Township	1910
MIDDLESEX COUNTY							
Carteret Borough	1201	Spring Lake Borough	1347	Seaside Heights Borough	1527	Hardyston Township	1911
Cranbury Township	1202	Spring Lake Heights Bor.	1348	Seaside Park Borough	1528	Hopatcong Borough	1912
Dunellen Borough	1203	Tinton Falls Borough	1349	Ship Bottom Borough	1529	Lafayette Township	1913
East Brunswick Township	1204	Union Beach Borough	1350	South Toms River Bor.	1530	Montague Township	1914
Edison Township	1205	Upper Freehold Township	1351	Stafford Township	1531	Newton Town	1915
Helmetta Borough	1206	Wall Township	1352	Surf City Borough	1532	Ogdensburg Borough	1916
Highland Park Borough	1207	West Long Branch Boro	1353	Tuckerton Borough	1533	Sandyston Township	1917
Jamesburg Borough	1208	MORRIS COUNTY		PASSAIC COUNTY		Sparta Township	1918
Metuchen Borough	1209	Boonton Town	1401	Bloomington Borough	1601	Stanhope Borough	1919
Middlesex Borough	1210	Boonton Township	1402	Clifton City	1602	Stillwater Township	1920
Milltown Borough	1211	Butler Borough	1403	Haledon Borough	1603	Sussex Borough	1921
Monroe Township	1212	Chatham Borough	1404	Hawthorne Borough	1604	Vernon Township	1922
New Brunswick City	1213	Chatham Township	1405	Little Falls Township	1605	Walpack Township	1923
North Brunswick Twp.	1214	Chester Borough	1406	North Haledon Borough	1606	Wantage Township	1924
Old Bridge Township	1215	Chester Township	1407	Passaic City	1607	UNION COUNTY	
Perth Amboy City	1216	Denville Township	1408	Paterson City	1608	Berkeley Heights Twp.	2001
Piscataway Township	1217	Dover Town	1409	Pompton Lakes Borough	1609	Clark Township	2002
Plainsboro Township	1218	East Hanover Township	1410	Prospect Park Borough	1610	Cranford Township	2003
Sayreville Borough	1219	Florham Park Borough	1411	Ringwood Borough	1611	Elizabeth City	2004
South Amboy City	1220	Hanover Township	1412	Totowa Borough	1612	Fanwood Borough	2005
South Brunswick Twp.	1221	Harding Township	1413	Wanaque Borough	1613	Garwood Borough	2006
South Plainfield Bor.	1222	Jefferson Township	1414	Wayne Township	1614	Hillside Township	2007
South River Borough	1223	Kinnelon Borough	1415	West Milford Township	1615	Kenilworth Borough	2008
Spotswood Borough	1224	Lincoln Park Borough	1416	West Paterson Borough	1616	Linden City	2009
Woodbridge Township	1225	Long Hill Township	1430	SALEM COUNTY		Mountainside Borough	2010
MONMOUTH COUNTY							
Aberdeen Township	1301	Madison Borough	1417	Alloway Township	1701	New Providence Borough	2011
Allenhurst Borough	1302	Mendham Borough	1418	Carneys Point Township	1702	Plainfield City	2012
Allentown Borough	1303	Mendham Township	1419	Elmer Borough	1703	Rahway City	2013
Asbury Park City	1304	Mine Hill Township	1420	Elsinboro Township	1704	Roselle Borough	2014
Atlantic Highlands Bor.	1305	Montville Township	1421	Lower Alloways Crk. Twp.	1705	Roselle Park Borough	2015
Avon By The Sea Bor.	1306	Morris Plains Borough	1423	Mannington Township	1706	Scotch Plains Township	2016
Belmar Borough	1307	Morris Township	1422	Oldmans Township	1707	Springfield Township	2017
Bradley Beach Borough	1308	Morristown Town	1424	Penns Grove Borough	1708	Summit City	2018
Brielle Borough	1309	Mountain Lakes Borough	1425	Pennsville Township	1709	Union Township	2019
Colts Neck Township	1310	Mt. Arlington Borough	1426	Pilesgrove Township	1710	Westfield Town	2020
Deal Borough	1311	Mt. Olive Township	1427	Pittsgrove Township	1711	Winfield Township	2021
Eatontown Borough	1312	Netcong Borough	1428	Quinton Township	1712	WARREN COUNTY	
Englishtown Borough	1313	Parsippany-Troy Hills Twp.	1429	Salem City	1713	Allamuchy Township	2101
Fair Haven Borough	1314	Pequannock Township	1431	Upper Pittsgrove Twp.	1714	Alpha Borough	2102
Farmingdale Borough	1315	Randolph Township	1432	Woodstown Borough	1715	Belvidere Town	2103
Freehold Borough	1316	Riverdale Borough	1433	SOMERSET COUNTY		Blairstown Township	2104
Freehold Township	1317	Rockaway Borough	1434	Bedminster Township	1801	Franklin Township	2105
Hazlet Township	1318	Rockaway Township	1435	Bernards Township	1802	Frelinghuysen Township	2106
Highlands Borough	1319	Roxbury Township	1436	Bernardsville Borough	1803	Greenwich Township	2107
Holmdel Township	1320	Victory Gardens Borough	1437	Bound Brook Borough	1804	Hackettstown Town	2108
Howell Township	1321	Washington Township	1438	Branchburg Township	1805	Hardwick Township	2109
Interlaken Borough	1322	Wharton Borough	1439	Bridgewater Township	1806	Harmony Township	2110
Keansburg Borough	1323	OCEAN COUNTY		Far Hills Borough	1807	Hope Township	2111
Keyport Borough	1324	Barneget Township	1501	Franklin Township	1808	Independence Township	2112
Little Silver Borough	1325	Barneget Light Borough	1502	Green Brook Township	1809	Knowlton Township	2113
Loch Arbour Village	1326	Bay Head Borough	1503	Hillsborough Township	1810	Liberty Township	2114
Long Branch City	1327	Beach Haven Borough	1504	Manville Borough	1811	Lopatcong Township	2115
Manalapan Township	1328	Beachwood Borough	1505	Millstone Borough	1812	Mansfield Township	2116
Manasquan Borough	1329	Berkeley Township	1506	Montgomery Township	1813	Oxford Township	2117
Marlboro Township	1330	Brick Township	1507	North Plainfield Borough	1814	Phillipsburg Town	2119
Matawan Borough	1331	Dover Township	1508	Peapack-Gladstone Bor.	1815	Pohatcong Township	2120
Middletown Township	1332	Eagleswood Township	1509	Raritan Borough	1816	Washington Borough	2121
Millstone Township	1333	Harvey Cedars Borough	1510	Rocky Hill Borough	1817	Washington Township	2122
		Island Heights Borough	1511	Somerville Borough	1818	White Township	2123
		Jackson Township	1512	South Bound Brook Bor.	1819		
		Lacey Township	1513				

2002 New Jersey Tax Table

Use this table if your New Jersey taxable income on Line 21 is less than \$100,000. If your taxable income is \$100,000 or more, you must use the Tax Rate Schedule on page 42 of this booklet.

Example: Mr. and Mrs. Evans are filing a joint return. They checked filing status “2,” married, filing joint return. Their taxable income on Line 21 of Form NJ-1040EZ is \$39,875. First they find the \$39,850–\$39,900 income line. Next, they find the column for filing status “2” and read down the column. The amount shown where the income line meets the filing status column is \$628. This is the tax amount to be entered on Line 22 of Form NJ-1040EZ.

If Line 21 (taxable income) Is—		And Your Filing Status* Is	
At least	But Less Than	1	2, 4 or 5
		Your Tax is—	
39,800	39,850	711	627
39,850	39,900	713	628
39,900	39,950	715	629
39,950	40,000	717	630

***Filing Status:**

- 1—Single
- 2—Married, filing joint return
- 3—Married, filing separate return (Must file Form NJ-1040)
- 4—Head of household
- 5—Qualifying widow(er)

2002 NEW JERSEY TAX TABLE (NJ-1040EZ)

If Line 21 (New Jersey Taxable Income) Is —		And You Checked Filing Status Line —		If Line 21 (New Jersey Taxable Income) Is —		And You Checked Filing Status Line —		If Line 21 (New Jersey Taxable Income) Is —		And You Checked Filing Status Line —		If Line 21 (New Jersey Taxable Income) Is —		And You Checked Filing Status Line —	
At Least	But Less Than	1	2, 4 or 5	At Least	But Less Than	1	2, 4 or 5	At Least	But Less Than	1	2, 4 or 5	At Least	But Less Than	1	2, 4 or 5
		Your Tax Is—				Your Tax Is—				Your Tax Is—				Your Tax Is—	
				1,000				2,000				3,000			
0	50	0	0	1,000	1,050	14	14	2,000	2,050	28	28	3,000	3,050	42	42
50	100	1	1	1,050	1,100	15	15	2,050	2,100	29	29	3,050	3,100	43	43
100	150	2	2	1,100	1,150	16	16	2,100	2,150	30	30	3,100	3,150	44	44
150	200	2	2	1,150	1,200	16	16	2,150	2,200	30	30	3,150	3,200	44	44
200	250	3	3	1,200	1,250	17	17	2,200	2,250	31	31	3,200	3,250	45	45
250	300	4	4	1,250	1,300	18	18	2,250	2,300	32	32	3,250	3,300	46	46
300	350	5	5	1,300	1,350	19	19	2,300	2,350	33	33	3,300	3,350	47	47
350	400	5	5	1,350	1,400	19	19	2,350	2,400	33	33	3,350	3,400	47	47
400	450	6	6	1,400	1,450	20	20	2,400	2,450	34	34	3,400	3,450	48	48
450	500	7	7	1,450	1,500	21	21	2,450	2,500	35	35	3,450	3,500	49	49
500	550	7	7	1,500	1,550	21	21	2,500	2,550	35	35	3,500	3,550	49	49
550	600	8	8	1,550	1,600	22	22	2,550	2,600	36	36	3,550	3,600	50	50
600	650	9	9	1,600	1,650	23	23	2,600	2,650	37	37	3,600	3,650	51	51
650	700	9	9	1,650	1,700	23	23	2,650	2,700	37	37	3,650	3,700	51	51
700	750	10	10	1,700	1,750	24	24	2,700	2,750	38	38	3,700	3,750	52	52
750	800	11	11	1,750	1,800	25	25	2,750	2,800	39	39	3,750	3,800	53	53
800	850	12	12	1,800	1,850	26	26	2,800	2,850	40	40	3,800	3,850	54	54
850	900	12	12	1,850	1,900	26	26	2,850	2,900	40	40	3,850	3,900	54	54
900	950	13	13	1,900	1,950	27	27	2,900	2,950	41	41	3,900	3,950	55	55
950	1,000	14	14	1,950	2,000	28	28	2,950	3,000	42	42	3,950	4,000	56	56

2002 NEW JERSEY TAX TABLE (NJ-1040EZ) - Continued

Table with 16 columns: If Line 21 (New Jersey Taxable Income) Is - At Least, But Less Than; And You Checked Filing Status Line - 1, 2, 4 or 5; Your Tax Is -; If Line 21 (New Jersey Taxable Income) Is - At Least, But Less Than; And You Checked Filing Status Line - 1, 2, 4 or 5; Your Tax Is -; If Line 21 (New Jersey Taxable Income) Is - At Least, But Less Than; And You Checked Filing Status Line - 1, 2, 4 or 5; Your Tax Is -; If Line 21 (New Jersey Taxable Income) Is - At Least, But Less Than; And You Checked Filing Status Line - 1, 2, 4 or 5; Your Tax Is -.

New Jersey Tax Rate Schedules 2002

FILING STATUS: Single

Table A

		STEP 1	STEP 2	STEP 3	
If Taxable Income (Line 21) is:		Enter Line 21	Multiply Line 21 by:	Subtract	Your Tax
Over	But not over				
\$ 0	\$20,000	_____	× .014 = _____	– \$ 0 = _____	
\$20,000	\$35,000	_____	× .0175 = _____	– \$ 70.00 = _____	
\$35,000	\$40,000	_____	× .035 = _____	– \$ 682.50 = _____	
\$40,000	\$75,000	_____	× .05525 = _____	– \$1,492.50 = _____	
\$75,000	and over	_____	× .0637 = _____	– \$2,126.25 = _____	

FILING STATUS: Married, filing joint return
Head of household
Qualifying widow(er)

Table B

		STEP 1	STEP 2	STEP 3	
If Taxable Income (Line 21) is:		Enter Line 21	Multiply Line 21 by:	Subtract	Your Tax
Over	But not over				
\$ 0	\$ 20,000	_____	× .014 = _____	– \$ 0 = _____	
\$ 20,000	\$ 50,000	_____	× .0175 = _____	– \$ 70.00 = _____	
\$ 50,000	\$ 70,000	_____	× .0245 = _____	– \$ 420.00 = _____	
\$ 70,000	\$ 80,000	_____	× .035 = _____	– \$1,154.50 = _____	
\$ 80,000	\$150,000	_____	× .05525 = _____	– \$2,775.00 = _____	
\$150,000	and over	_____	× .0637 = _____	– \$4,042.50 = _____	

When You Need Information...

by Phone...

Call our Automated Tax Information System

1-800-323-4400 — (Touch-tone phones within NJ, NY, PA, DE, and MD) or **609-826-4400** (Touch-tone phones anywhere).

- ◆ Listen to recorded tax information on many topics.
- ◆ Order forms and publications through our message system.
- ◆ Get information on 2002 refunds from ARIS, our Automated Refund Inquiry System, 7 days a week (hours may vary).

Contact our Customer Service Center

609-292-6400 — Speak directly to a Division of Taxation representative for tax information and assistance, 8:30 a.m. to 4:30 p.m., Monday through Friday (except holidays).

TTY Equipment Users Only

Call **1-800-286-6613** (toll-free within NJ, NY, PA, DE, and MD) or **609-984-7300** (anywhere) to ask questions or to order forms and publications.

on the World Wide Web...

Visit the New Jersey Division of Taxation Home Page

Many State tax forms and publications are now available on the World Wide Web. Access the Division's home page at:

<http://www.state.nj.us/treasury/taxation/>

You may also reach us by e-mail at:

taxation@tax.state.nj.us

in Person...

Visit a New Jersey Division of Taxation Regional Office

Regional offices provide individual assistance at various locations throughout the State. Call the Automated Tax Information System or visit our home page for the address of the regional office nearest you.

To Get Forms...

- ◆ Call New Jersey's Forms Request System at 1-800-323-4400 (Touch-tone phones within NJ, NY, PA, DE, and MD) or 609-826-4400 (Touch-tone phones anywhere).
- ◆ Visit a New Jersey public library.
- ◆ Dial NJ TaxFax at 609-826-4500 from your fax machine's phone.
- ◆ Write to: NJ Division of Taxation
Taxpayer Forms Services
PO Box 269
Trenton, NJ 08695-0269

IMPORTANT NOTE: Copies of Forms NJ-1040, NJ-1040EZ, and HR-1040 are available on NJ TaxFax and on the Division's Web site for reference only and cannot be used for filing since they must be filed on original forms.

Who Can Help...

Trained volunteers in the VITA (Volunteer Income Tax Assistance) and TCE (Tax Counseling for the Elderly) Programs are available to help prepare both Federal and State returns at over 350 locations throughout New Jersey.

For the location nearest you, contact the Division's Customer Service Center at 609-292-6400 or the Internal Revenue Service.

New Jersey Earned Income Tax Credit...

Call the New Jersey Earned Income Tax Credit Hotline

1-888-895-9179 — For information, 8:30 a.m. to 4:30 p.m., Monday through Friday (except holidays).

NJ TaxTalk

TaxTalk is the portion of the Automated Tax Information System (ATIS) that provides recorded information to callers on a variety of New Jersey tax topics and affords them the opportunity to request written information on certain topics.

TaxTalk is available 24 hours a day, 7 days a week. Select the 3-digit topic number you want to hear. Then call the Automated Tax Information System from a Touch-tone phone at 1-800-323-4400 within New Jersey, New York, Pennsylvania, Delaware, and Maryland or 609-826-4400 anywhere. Additional topics may become available after the printing of this booklet.

TaxTalk — Topic Codes

NJ INCOME TAX INFORMATION FOR INDIVIDUALS

Filing Your New Jersey Return

- 100 Who Must File
- 102 How and When to File an Extension
- 104 How and When to Amend
- 106 Penalties and Interest on Filing
- 108 Who is Required to Make Estimated Tax Payments
- 110 Penalties and Interest on Underpayment of Estimated Tax Payments

- 112 Pennsylvania Residents Working in New Jersey/New Jersey Residents Working in Pennsylvania
- 114 Nonresidents
- 116 Mailing Your Return With No Balance Due
- 118 Mailing Your Return With Tax Due
- 120 How to Pay

Completing Your New Jersey Return

- 122 Filing Status
- 124 Part-Year Residents
- 126 Military Personnel

- 128 Deceased Taxpayers
- 130 Personal Exemptions
- 132 Dependent Exemptions
- 134 New Jersey Earned Income Tax Credit
- 136 Deductions
- 138 Reporting Wages
- 140 Nontaxable Income
- 142 Reporting Capital Gain Income
- 144 Reporting a Gain From the Sale of a Principal Residence
- 146 Reporting Business Income
- 148 Withholdings and Payments

- 150 Claiming Credit for Income or Wage Tax Paid to Other Jurisdictions
- 152 Claiming Excess Unemployment and Disability
- 224 General Information on the Property Tax Deduction or Credit
- 226 Property Tax Deduction and Credit Frequently Asked Questions

Pension and IRA Information

- 154 Pension Income
- 156 Pension Exclusion
- 158 IRA Distributions
- 160 Establishing Your Roth IRA
- 162 Qualified Distributions From a Roth IRA
- 164 Nonqualified Distributions From a Roth IRA

NJ PROPERTY TAX RELIEF PROGRAMS**New Jersey SAVER**

- 200 General Information on New Jersey SAVER Rebate
- 202 New Jersey SAVER Frequently Asked Questions
- 204 2001 New Jersey SAVER Paper Application

Homestead Rebate

- 206 General Information on the Homestead Rebate
- 208 Eligibility Requirements
- 210 Determining the Homestead Rebate Amount
- 212 Amending the Homestead Rebate Application
- 214 Available Homestead Rebate Publications

Property Tax Reimbursement Program

- 216 General Information on the Property Tax Reimbursement Program
- 218 Eligibility Requirements
- 220 How to Claim a Property Tax Reimbursement
- 222 Property Tax Reimbursement Frequently Asked Questions

Property Tax Deduction or Credit

- 224 General Information on the Property Tax Deduction or Credit
- 226 Property Tax Deduction and Credit Frequently Asked Questions

PAPERLESS FILING PROGRAMS**New Jersey WebFile**

- 300 NJ WebFile

New Jersey TeleFile Program

- 302 NJ TeleFile Program

(ELF) Electronic Filing

- 304 (ELF) Electronic Filing

NJ TAX INFORMATION FOR BUSINESSES**Business Registration**

- 400 Registering a Business in New Jersey
- 402 Small Business Workshop
- 404 Electing S Corporation Status
- 406 New York and New Jersey Sales Tax Agreement
- 408 Alcoholic Beverage Retail Licenses
- 410 Ending Your New Jersey Business

Income Tax Withholding Information for Businesses

- 412 Remitting Tax Withheld
- 414 Reconciling Tax Withheld
- 416 Forms W-4 and NJ-W-4
- 418 Who Is an Employer
- 420 Withholding New Jersey Income Taxes
- 422 Filing Informal Employer Returns of Income Tax Withheld

Sales and Use Tax Information for Businesses

- 424 General Information for Sales and Use Tax for Businesses
- 426 Use Tax
- 428 Annual Use Tax
- 430 Filing Sales and Use Tax Returns
- 432 Filing Informal Sales and Use Tax Returns
- 434 Penalties and Interest
- 436 Contractors
- 438 Mail Order and Internet Business
- 440 Taxability of Medicines and Medical Items
- 442 Urban Enterprise Zone

Lease and Rental Information for Businesses

- 444 Lease Transactions in New Jersey
- 446 Rental Transactions in New Jersey
- 448 Domestic Security Fee

CORPORATIONS & PARTNERSHIPS**Corporations**

- 500 Starting a Corporation

- 502 Filing Responsibilities
- 504 Tax Rates and Accounting Periods
- 506 S Corporation Status

Partnerships

- 508 Partnership Information

SALES & USE TAX INFORMATION FOR INDIVIDUALS**General Information on Sales and Use Tax for Individuals**

- 600 General Information on Sales and Use Tax for Individuals

Out-of-State Purchases

- 602 Out-of-State Purchases

Mail Orders and Internet Purchases

- 604 Mail Orders and Internet Purchases

Home Improvements

- 606 Home Improvements

Taxability of Leases and Rentals

- 608 Taxability of Leases and Rentals

OTHER NJ TAX INFORMATION**New Jersey Division of Taxation Regional Offices**

- 700 Asbury Park Office
- 702 Camden Office
- 704 Fair Lawn Office
- 706 Newark Office
- 708 Northfield Office
- 710 Somerville Office
- 712 Trenton Office

Other Ways to Contact the Division

- 714 Other Ways to Contact the Division

Order Forms Through New Jersey TaxFax

- 716 Order Forms Through New Jersey TaxFax

Taxpayers' Bill of Rights

- 718 Taxpayers' Bill of Rights

CATCH Program

- 720 CATCH Program

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- 722 Inheritance and Estate Tax

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- 724 Information for Senior Citizens

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TAXPAYERS' BILL OF RIGHTS

The New Jersey Taxpayers' Bill of Rights simplifies tax administration and ensures that all taxpayers—individuals and businesses alike—are better informed and receive fair and equitable treatment during the tax collection process. Highlights of the Taxpayers' Bill of Rights include:

Service—

- ◆ Division must respond to taxpayers' questions within a reasonable time period.
- ◆ Notices of taxes and penalties due must clearly identify the purpose of the notice and must contain information about appeal procedures.

Appeals—

- ◆ Time to appeal to the Tax Court is generally 90 days.

Interest on Refunds—

- ◆ Interest is paid at the prime rate on refunds for all taxes when the Division takes more than six months to send you a refund.
- ◆ You may request that your overpayment of this year's tax be credited towards next year's tax liability, however, interest will not be paid on overpayments that are credited forward.

For more information on the rights and obligations of both taxpayers and the Division of Taxation under the Taxpayers' Bill of Rights, request our publication ANJ-1, *New Jersey Taxpayers' Bill of Rights*.