

NEW JERSEY CORPORATION BUSINESS TAX  
SHELTERED WORKSHOP TAX CREDIT

Name as Shown on Return	Federal ID Number	NJ Corporation Number
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READ THE INSTRUCTIONS BEFORE COMPLETING THIS FORM

**PART I QUALIFICATIONS**

1. Is each employee for which a credit is claimed a "Qualified Person" in accordance with P.L. 2005, c. 318? . . . . ☐ YES ☐ NO
2. Did each employee for which a credit is claimed work for at least 26 weeks during the privilege period and work at least 25 hours per week at or under the supervision of a sheltered workshop? . . . . . ☐ YES ☐ NO

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

**PART II CALCULATION OF THE AVAILABLE SHELTERED WORKSHOP TAX CREDIT**

	(A) Social Security Number	(B) Name	(C) Total Wages	(D) 20% of Column C - Max \$1,000
3.				
4.				
5.				
6.				
7.	Total of Column D . . . . .			
8.	Enter the carryover from Part IV, line 4, from prior year . . . . .			
9.	Total Credit Available - Enter the total of line 7 plus line 8 . . . . .			

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

10. Enter tax liability from page 1, line 9 of CBT-100 or BFC-1, or line 4 of CBT-100S . . . . .	10.	
11. Enter the required minimum tax liability as indicated in instruction (b) for Part III . . . . .	11.	
12. Subtract line 11 from line 10 . . . . .	12.	
13. Enter 50% of the tax liability reported on line 10 . . . . .	13.	
14. Enter the lesser of line 12 or line 13 . . . . .	14.	
15. Tax Credits taken on current year's return		
a) _____		
b) _____		
c) _____		
d) _____		
.....Total	15.	

**PART III Continued**

16. Subtract line 15 from line 14. If the result is less than zero, enter zero . . . . .
17. Allowable credit for the current tax period - Enter the lesser of line 16 or Part II, line 9 here and on Schedule A-3 of the CBT-100, the BFC-1, or the CBT-100S . . . . .

16.

17.

**PART IV SHELTERED WORKSHOP TAX CREDIT CARRYOVER**

Complete this schedule if the allowable tax credit is less than the total credit available for the current year or if a tax credit was carried forward from a previous tax year. Read the instructions for Part IV before completing this schedule.

	A 2010	B 2011	C 2012	D 2013	E 2014	F 2015	G 2016	H 2017
1. Enter the tax credit calculated for each tax year *								
2. Enter the amount used in tax year:								
a) 2010								
b) 2011								
c) 2012								
d) 2013								
e) 2014								
f) 2015								
g) 2016								
h) 2017								
3. Carryover amount - Line 1 minus Lines 2(a) through 2(h)								
4. Total tax credit carryover, total of line 3, columns A through H . . . . .								
* Exclude the amount of any tax credit carried over from a prior tax year.								

## Instructions for Form 317

### SHELTERED WORKSHOP TAX CREDIT

**PURPOSE OF THIS FORM** - This schedule must be completed by any taxpayer claiming a Sheltered Workshop Tax Credit and/or credit carry forward as provided for in P.L. 2005, c.318. In general, a tax credit is allowed in an amount equal to 20% of the salary and wages paid by the taxpayer during the privilege period for the employment of a qualified person but cannot exceed \$1,000 for each qualified person for the privilege period. If the taxpayer claims this credit on Form CBT-100, CBT-100S or BFC-1, a completed Form 317 must be attached to the return to validate the claim.

**NOTE:** Only complete the applicable lines from Parts II, III and IV where the full amount of the sheltered workshop tax credit claimed on the current return is the result of a sheltered workshop tax credit carried forward from a previous tax year.

#### DEFINITIONS:

**Qualified Person** - means an extended employee, within the meaning of that term as set forth in section 2 of P.L.1971, c.272 (C.34:16-40), to whom the Commissioner of Labor, under subsection (b) of section 18 of P.L.1966, c.113(C.34:11-56a17) shall have issued a special license authorizing employment at wages less than the minimum wage rate, and who, for at least 26 weeks during the privilege period, shall have performed at least 25 hours per week of work at or under the supervision of a sheltered workshop pursuant to a contract between the taxpayer and the sheltered workshop.

**Sheltered Workshop** - means an occupation-oriented facility operated by a nonprofit agency with which the Division of Vocational Rehabilitation Services in the Department of Labor shall have entered into a contract under section 4 of P.L.1971, c.272 (C.34:16-42) to furnish extended employment programs to eligible individuals.

#### PART I - QUALIFICATIONS

The answer to both questions must be "YES". If the answer to either question is "NO", the taxpayer is not entitled to the sheltered workshop tax credit.

#### PART II - CALCULATION OF THE AVAILABLE SHELTERED WORKSHOP TAX CREDIT

Enter the information in Columns A through D for each qualified person for which a tax credit is claimed. Enter in Column D the lesser of 20% of the amount in Column C or \$1,000. Attach a schedule if additional entries must be made.

#### PART III - CALCULATION OF THE ALLOWABLE CREDIT AMOUNT

a) The allowable sheltered workshop tax credit for the current tax period is calculated in PART III. The amount of this credit in addition to the amount of any other tax credits taken is limited to 50% of the taxpayer's total tax liability and cannot exceed an amount which would reduce the total tax liability below the statutory minimum. Taxpayers claiming multiple credits must list any credits already applied to the tax liability to ensure accuracy of the calculation for maximum credit allowable.

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

New Jersey Gross Receipts	CBT-100	CBT-100S
Less than \$100,000	\$500.00	\$375.00
\$100,000 or more but less than \$250,000	\$750.00	\$562.00
\$250,000 or more but less than \$500,000	\$1,000.00	\$750.00
\$500,000 or more but less than \$1,000,000	\$1,500.00	\$1,125.00
\$1,000,000 or more	\$2,000.00	\$1,500.00

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

#### PART IV - SHELTERED WORKSHOP TAX CREDIT CARRYOVER

The amount of the tax credit that cannot be applied to the current tax period due to the applicable limitations can be carried over to the seven privilege periods following the privilege period for which the credit was allowed. Complete Part IV to validate the tax credit carryover amount.