## NJ-1041SB 2017

# State of New Jersey GROSS INCOME TAX FIDUCIARY RETURN ELECTING SMALL BUSINESS TRUST

5-F

For Taxable Year January 1, 2017 - December 31, 2017

_	Or Other Taxable Year Begir	ning	2017, Ending	]		_, 20	
	Check this block $\square$ if applica	tion for federal extension is	attached or enter cor	firmation number			
F	ederal Employer Identification Number	Name of Trust					
	Residency Status	Name and Title of Fiduo	ciary				
	☐ Resident Trust ☐ Nonresident Trust	Address of Fiduciary (N	umber and Street	or Rural Route)			
		City, Town, Post Office		State		Zip Code	
PART	I - S CORPORATION INCOME						
1.	Net pro rata share of S corporation inco	me (attach Schedule(s) N	NJ-K-1), (If loss ent	er "0")	1.		
2.	Net gain or loss from disposition of S co	orporation's assets			2.		
3.	Net gain or loss from disposition of S co	orporation stock			3.		
4.	Net gain from disposition of property (C	ombine line 2 and line 3)	(If loss enter "0")		4.		
5.	Taxable S corporation portion of income	e (Add Line 1 and line 4)			5.		
6.	Tax due on S corporation portion of inco	ome			6.		
	Credit for income taxes paid to other jui				7.		
8.	Balance of tax due on S corporation po	rtion of income (Line 6 m	nus Line 7)		8.		
PAR	T II ESBT NON S CORPORATION INC	COME					l
	·	Il only if the ESBT has n	·				
In ca	Nonresident Trust: Complete PART se of a net loss in any category, ente	-	on-S corporation ir	ncome from New Jer	sey sou	rces	
9.	Interest Tax	-Exempt Interest			9.		
10.	Dividends Tax	-Exempt Dividends			10.		
11.	Net profits from business (From Part II	Schedule A, Line 42)			11.		
12.	Net gains or income from disposition of	property (From Part II So	hedule B, Line 46)		12.		
13.	Net gains or income from rents, royaltie	s, patents, and copyrights	s (From Part II Sch	edule C, Line 49) .	13.		
14.	Distributive Share of Partnership Incom	e (Enclose Schedule NJK	ζ <b>-</b> 1)		14.		
15.	Net pro rata share of S Corporation Inc	ome (Enclose Schedule N	JJ-K-1)		15.		
16.	Other Income - State Nature				16.		
17.	Gross Income (Add Lines 9 through 16)	If \$10,000 or less, see I	NJ-1041 instructior	ns	17.		
	Election Statement: I declare that this tru as a New Jersey Electing Small Busines:		Business Trust and o	consents to be taxed	•	ount on Line 37 in fo	ull.
SIGN HERE	Under penalties of perjury, I declare that statements, and to the best of my knowled other than taxpayer, this declaration is based on the statements.	dge and belief, it is true, corre	ect and complete. If p	prepared by a person	and mal	ck or money order ke payable to: E OF NEW JERSEY-TO	GI
SIGN	Signature of Fiduciary or Officer Re	presenting Fiduciary		Date	Division Revenu PO Box	n of Taxation ue Processing Center x 648	
	Signature of Preparer Other than F	iduciary Address	Date	Fed. ID. No.	rientor	n, NJ 08646-0648	

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Feder	al Employer Identification Number	Name of Trust	Name and Title	e of Fiduciary	
18.		)	<u> </u>	18.	
19.	Distributions (From Part II Schedule D	D Line 51A)		19.	
20.	Total Income (Line 18 minus Line 19)			20.	
20a	NONRESIDENTS: NJ Income from P	Part II Schedule G, Line 11 20a.			
21.	Income Commissions				
22.	Exemption - Enter \$1,000 (Part-year ta	axpayers - see instructions) 22.			
23.	Health Enterprise Zone Deduction				
24.	Total deductions and exemption (Add	Lines 21, 22, and 23)		24.	
25.	Taxable Income (Line 20 less Line 24)	)		25.	
	NONRESIDENTS ONLY:				
26.	Tax on amount on Line 25 (From Tax F	Rate Schedule) <u>26.</u>			
27.	Income Percentage (Line 20a	<del></del>	%		
28.	TAX: Residents (From Tax Rate Sched	dule)			
	Nonresidents (Multiply amount from Lin	ne 26 x% from	Line 27)	28.	
29.	Credit for income taxes paid on non S	corporation income (From Part II Schedule E Line	56)	29.	
30.	Balance of tax due on non S corporation	on portion of income (Line 28 minus Line 29)		30.	
31.	Total tax due on S corporation and nor	n S corporation income (Add line 8 and Line 30)		31.	
32.	Estimated payments/prior year credits	and tax credits		32.	
33.	Tax paid by partnerships (Attach Sched	lule(s) NJK-1)			
34.	Tax paid by partnerships and distributed	d34			
35.	Balance of tax paid by partnerships (Lir	ne 33 minus Line 34)		35.	
36.	Total payments and credits (Add Line 3	2 and Line 35)		36.	
37.	Balance of tax due (Line 31 minus Line	36)		37.	
38.	Overpayment			38.	
39.	Credit to 2018 tax			39.	
40.	Refund			40.	

Fodor	al Employer Identification Number	Name of Ti	not.					Name and Title of	Eiduo		ige o	
redera	ai Employer identification Number	Name of 11	usı					name and tille of	ame and Title of Fiduciary			
SC	PART II NET PROFITS FROM BUSINESS							t profit (loss) fror nedule C or F.	n eac	h business carried on		
	TYPE OF BUSINESS					ADDRESS	s	NET PROFIT (LOSS)				
41.												
42.	TOTAL (Enter here and on Page 1, Line								42.			
sc	PART II  CHEDULE B  NET GAINS OR INC DISPOSITION OF PI	ROPERTY								nange, or other disposit		
	(a)  Kind of property and description  (b)	Date acquired  lo., day, yr.)		Date sold , day, yr.)		ross s price	adjuste	or other basis as d (see instructior expense of sale		(f) Gain or (loss) (d less e)		
43.												
44.	Capital Gains Distributions								44.			
45.	Other Net Gains								45.			
46.	Net Gains (Add Lines 43, 44, and 45) (	Enter here a	nd on I	Page 1, Li	ne 12) (If	loss enter ZE	ERO)		46.			
S	PART II NET GAINS OR IN RENTS, ROYALTIE AND COPYRIGHTS	S, PATENTS		royalties	, patents,	and copyrigh	ts as rep	orted on your fed	deral i	in the form of rents, ncome tax return. If you close federal Schedule		
	(a) Kind of Property		Net Re			(c) Net Income (d) Net Income (e) Net Income			(e) Net Income From Copyrights			
47.												
48.	TOTALS	(b)			(c)		(d)			(e)		
49.	Net Income (Combine Columns b, c, d, a	and e) (Ente	r here a	and on Pa	ge 1, Line	13) (If loss 6	enter ZEI	₹0)	49.			
•	PART II BENEFICIARIE SCHEDULE D	S' SHARES	OF IN	COME	Enclose N	ew Jersey So	chedule N	JJK-1				
	Name and Address of Each Beneficiary	Indicate Residency	Socia	al Security	Number			DISTRIBU				
	,	Status				Colun Total In		Column NJ Source I		Column C e Tax Paid by Partne	erships	
50.												
51.	TOTAL (Enter amount from Line 51A or (Enter amount from Line 51B or (Enter amount from Line 51C or	n PART II Sc	hedule			51A.		51B.		51C.		

	2017 Schedules - Credit for Taxes Pa	Name of Trust	Name and Title of Fig	Page duciary
ierai Emp	ployer identification Number	1.000	Thams and the Grant	
ART	I SCHEDULE E Form NJ-1041SB	CREDIT FOR INCOME TAXES PAID TO OTHER JURISDICTION ON S CORPORATION INCOME		state or political subdivision be retained with your record
	Corporation income actually taxed b	y other jurisdiction during tax year	) 5	2
		by more than one jurisdiction.) Amount on Line 52 cannot exce		
. sc	Corporation Income Subject to Tax b	by New Jersey. (From Page 1, Line 5)	5	3.
	aximum Allowable Credit (52) ivide Line 53 into Line 52) (53)	xx (NJ Tax on S Corporatio	on Income,	4.
. Inc	come tax paid to other jurisdiction or	n S Corporation Income	5	5.
. Cre	edit Allowed. (Enter lesser of Line 5	54 or Line 55 here and on Page 1, Line 7)	5	6.
(inc	dicate name	ked by other jurisdiction during tax year by more than one jurisdiction.) Amount on Line 52 cannot exce		2.
. No	on S Corporation Income Subject to	Tax by New Jersey. (From Page 2, Line 20)	5	3.
1	aximum Allowable Credit (52) ivide Line 53 into Line 52) (53)	x (NJ Tax on non S Corpo Page 2, Line 2	oration Income,	4.
. Inc	come tax paid to other jurisdiction or	n non S corporation income	5	5.
6. Cre	edit Allowed. (Enter lesser of Line 5	54 or Line 55 here and on Page 2, Line 29)	5	6.

Name and Title of Fiduciary	NJ-1041SB 2017 Page 5									
BUSINESS ALLOCATION PERCENTAGE (From Form NJ-NR-A) Enter below, the line number and amount of each item of business income reported on Form NJ-1041SB that is required to be allocated and multiply by allocation percentage to determine amount of each item of business income reported on Form NJ-1041SB that is required to be allocated and multiply by allocation percentage to determine amount of income from New Jersey sources.  From Line No. \$	Federal E	mployer Identification Number	Name of Trust		Na	ame and 1	Title of Fiduciary			
Enter below, the line number and amount of each item of business income reported on Form NJ-1041SB that is required to be allocated and multiply by allocation percentage to determine amount of income from New Jersey sources.  From Line No. \$ x	PART	II SCHEDULE F	ALLOCATION OF BUS	SINESS RSEY						
PART II SCHEDULE G (Form NJ-1041SB)  NEW JERSEY NON S CORPORATION INCOME OF NONRESIDENT TRUST  NON S CORPORATION INCOME FROM NEW JERSEY SOURCES:  1. Interest 2. Dividends 3. Net profits from business 4. Net gains or income from disposition of property 5. Net gains or income from rents, royalties, patents, and copyrights 6. Distributive share of partnership income 7. Net pro rata share of S corporation income 8. Other Income - State Nature 9. TOTAL INCOME FROM NEW JERSEY SOURCES (Add Lines 1 through 8) 9. 10. New Jersey source income distributed to beneficiaries (From Part II Schedule D Line 51B)	Enter be	low, the line number and am	ount of each item of busi	ness income repor		B that is	required to be allocated and multiply by			
PART II SCHEDULE G (Form NJ-1041SB)  NEW JERSEY NON S CORPORATION INCOME OF NONRESIDENT TRUST  NON S CORPORATION INCOME FROM NEW JERSEY SOURCES:  1. Interest 2. Dividends 3. Net profits from business 4. Net gains or income from disposition of property 5. Net gains or income from rents, royalties, patents, and copyrights 6. Distributive share of partnership income 7. Net pro rata share of S corporation income 8. Other Income - State Nature 9. TOTAL INCOME FROM NEW JERSEY SOURCES (Add Lines 1 through 8) 10. New Jersey source income distributed to beneficiaries (From Part II Schedule D Line 51B)  10. New Jersey source income distributed to beneficiaries (From Part II Schedule D Line 51B)  10. Interest 1. New Jersey source income distributed to beneficiaries (From Part II Schedule D Line 51B)  10. Interest 1. Inter	F	From Line No	\$	x	% = \$					
New Jersey Non S CORPORATION INCOME OF NONRESIDENT TRUST  NON S CORPORATION INCOME FROM NEW JERSEY SOURCES:  1. Interest	F	From Line No	\$	x	% = \$					
INCOME FROM New Jersey income in another. In case of a net loss in any category, enter "zero" for that category.  1. Interest 1. Dividends 2. 3. Net profits from business 3. 4. Net gains or income from disposition of property 4. 5. Net gains or income from rents, royalties, patents, and copyrights 5. 6. Distributive share of partnership income 6. 7. Net pro rata share of S corporation income 7. 8. Other Income - State Nature 8. 9. TOTAL INCOME FROM NEW JERSEY SOURCES (Add Lines 1 through 8) 9. 10. New Jersey source income distributed to beneficiaries (From Part II Schedule D Line 51B) 10.										
2. Dividends	INC NE	COME FROM W JERSEY	income in another	r. In case of a n	et loss in any					
3. Net profits from business	1.	Interest				1.				
4. Net gains or income from disposition of property  5. Net gains or income from rents, royalties, patents, and copyrights  6. Distributive share of partnership income  7. Net pro rata share of S corporation income  8. Other Income - State Nature  9. TOTAL INCOME FROM NEW JERSEY SOURCES (Add Lines 1 through 8)  10. New Jersey source income distributed to beneficiaries (From Part II Schedule D Line 51B)  10.						$\vdash$				
5. Net gains or income from rents, royalties, patents, and copyrights 5.  6. Distributive share of partnership income 6.  7. Net pro rata share of S corporation income 7.  8. Other Income - State Nature 8.  9. TOTAL INCOME FROM NEW JERSEY SOURCES (Add Lines 1 through 8) 9.  10. New Jersey source income distributed to beneficiaries (From Part II Schedule D Line 51B) 10.		•				$\vdash$				
6. Distributive share of partnership income		_		-		$\vdash$				
7. Net pro rata share of S corporation income		•				-				
8. Other Income - State Nature		·	·							
9. TOTAL INCOME FROM NEW JERSEY SOURCES (Add Lines 1 through 8) 9.  10. New Jersey source income distributed to beneficiaries (From Part II Schedule D Line 51B)			•							
10. New Jersey source income distributed to beneficiaries (From Part II Schedule D Line 51B)						$^{\scriptscriptstyle{-}}$				
Schedule D Line 51B)				•		9.				
11. New Jersey income (Line 9 less Line 10). (Enter here and on Part II Line 20a) 11.	10.					10.				
	11.	New Jersey income (Line	e 9 less Line 10). (Ent	er here and on F	Part II Line 20a)	11.				

## 2017 New Jersey Tax Rate Schedule for Form NJ-1041SB

Tax Rate for S Corporation Source Income .0897

### **Tax Rates for Non S Corporation Source Income:**

If Taxa	able Income	(Part	II Line 25)	step 1 Enter Part II is: Line 25		step 2 ultiply Par ine 25 by			ep 3 btract		Your Tax
0	ver	Вι	ıt not over								
\$	0	\$	20,000		Х	.014	=	- \$	0	=	
\$	20,000	\$	35,000		Х	.0175	=	- \$	70.00	=	
\$	35,000	\$	40,000		Х	.035	=	- \$	682.50	=	
\$	40,000	\$	75,000		Х	.05525	=	- \$	1,492.50	=	
\$	75,000	\$	500,000		Х	.0637	=	- \$ 2	2,126.25	=	
\$	500,000	\$	and over		Х	.0897	=	- \$1	5,126.25	=	

SCHEDULE
NJK-1
(Form NJ-1041SB)
2017

## STATE OF NEW JERSEY Division of Taxation Beneficiary's Share of Income

PART I Gene	eral Information	n			
Beneficiary Informatio	n		Trust Information		
Federal Identification Number			Federal Identification Number		
Name			Name of Trust		
Street Address			Name of Fiduciary		
			Street Address		
City	State	Zip Code	City	S	tate Zip Code
Check Applicable Box	Resident	Nonresident	Check Applicable Box	Resident	Nonresident
Individual			Trust		
☐ Final NJK-1 ☐ Amended NJK-1					
PART II Bene	eficiary's Shar	e of Income			
	Total Dis	tribution	New Jersey Source Income Distributed		x Paid by ps and Distributed
Net Income From Trust					

## NEW JERSEY GROSS INCOME TAX BUSINESS ALLOCATION SCHEDULE

Use this schedule if business activities are carried on both inside and outside New Jersey or if business activities are carried on 100% outside New Jersey.

This form must be enclosed and filed with your New Jersey Income Tax return.

Enter name, address, and Social Security/federal Employer Identification number as shown on the Form NJ-1040NR, Form NJ-1041, or Form NJ-1065.

Legal name of taxpayer		Social Security Number/Federal EIN			
Trade name of business if different from legal	l name above	For the Taxable Year Ending (Month, Day, Year)			
Address (number and street or rural route)					
City or Post Office	State	Zip Code			

#### **Section 1 - Business Locations**

List all places BOTH INSIDE AND OUTSIDE New Jersey where business is carried on.

	(a) Street Address	et Address (b) City and State (c) Description of Business			
			Location	RENT	OWN
1.					
2.					
3.					
4.					

### **Section 2 - Average Values**

		Average Values				
	ASSETS (See instructions)		Column A Everywhere	Column B New Jersey		
1.	Real Property Owned	1.		1.		
2.	Real and Tangible Property Rented	2.		2.		
3.	Tangible Personal Property Owned	3.		3.		
4.	TOTALS (Add Lines 1-3 in each column)	4.		4.		

## **Section 3 - Business Allocation Percentage**

1.	Average Values of Property:			
	a. In New Jersey (from Section 2, Column B, Line 4)	1a		
	b. Everywhere (from Section 2, Column A, Line 4)	1b		
	c. Percentage in New Jersey. (Divide Line 1a by Line 1b)		1c	%
2.	Total Receipts from All Sales, Services, and Other Business Transactions:			
	a. In New Jersey	2a		
	b. Everywhere	2b		
	c. Percentage in New Jersey (Divide Line 2a by Line 2b)		2c	%
3.	Wages, Salaries, and Other Personal Compensation Paid During the Year:			
	a. In New Jersey	3a		
	b. Everywhere	3b		
	c. Percentage in New Jersey. (Divide Line 3a by Line 3b)		3c	%
4.	Sum of New Jersey Percentages. (Add Lines 1c, 2c and 3c)		4	%
5.	Business Allocation Percentage. (Divide the total on Line 4 by 3; if less than 3 fractions, see instructions)		5	%

#### **NJ-1041SB INSTRUCTIONS**

#### The New Jersey Electing Small Business Trust (ESBT) election

A federal Electing Small Business Trust makes an election to be taxed as a New Jersey Electing Small Business Trust by filing a New Jersey Gross Income Tax Fiduciary Return, Form NJ-1041SB, and signing the election statement at the bottom of the return.

**S corporation portion of income:** For the S corporation portion of income, the ESBT waives its right to claim a minimum taxable income threshold, an exemption, deductions for distributions and for income commissions, and consents to have all of the trust's income taxed at the maximum tax rate in effect.

**Non S corporation portion of income:** For the non S corporation portion of income, the ESBT can claim a minimum taxable income threshold if total income from the non S corporation portion, after distributions but before exemptions or deductions, is less than the filing threshold. In addition, non S corporation income can be reduced by an exemption and deductions can be taken for the distributions and income commissions sourced to the non S corporation portion income.

**Federal S corporation that did not make the New Jersey S election:** If the trust has S corporation income earned outside of New Jersey from federal S corporations that did not make the New Jersey S election or if the trust did not receive NJ-K-1(s), a Reconciliation Worksheet B or Worksheet B, Liquidated must be completed to determine the trust's reportable income for New Jersey Income Tax purposes. Reconciliation Worksheet B, and Worksheet B – Liquidated are contained in Tax Topic Bulletin GIT-9S, *Income From S Corporations*.

**Credit for taxes paid to other jurisdictions:** A resident trust may be eligible for a credit for taxes paid to other jurisdictions if S corporation income and the gain on disposition of the S corporation assets, and/or the non S corporation income were taxed by both New Jersey and another jurisdiction. A credit is not allowed for any tax imposed by another jurisdiction on S corporation source income which is allocated to New Jersey based on the corporation's New Jersey allocation factor.

Separate credit calculations must be made for the S corporation portion of income, using Part I, Schedule E, and for the non S corporation portion of income, using Part II, Schedule E, and for each jurisdiction. Information on calculating the credit can be found in Tax Topic Bulletin GIT-3B, *Credit For Taxes Paid to Other Jurisdictions (Business/Nonwage Income)*.

#### PART I - Line by Line Instructions

#### Line 1 – Net pro rata share of S corporation income – In case of a net loss, enter "0" on Line 1.

For Gross Income Tax purposes, interest paid on indebtedness incurred to purchase S corporation stock is not deductible by a shareholder.

**Resident trust** – Enter the total of pro rata share of S corporation income reported on the NJ-K-1(s) received from New Jersey electing S corporation(s) or from the Reconciliation Worksheet B or Worksheet B – Liquidated prepared for the trust. **Nonresident trust** – Enter the trust's S corporation income allocated to New Jersey reported on the NJ-K-1(s) received from New Jersey electing S corporation(s) or from the Reconciliation Worksheet B or Worksheet B – Liquidated prepared for the trust.

#### Line 2 – Net gain or loss from disposition of S corporation's assets

**Resident trust -** Enter the total gain/loss from disposition of S corporation's assets reported on the NJ-K-1(s) received from New Jersey electing S corporation(s) or from the Reconciliation Worksheet B – Liquidated prepared for the trust.

**Nonresident trust** – Enter the trust's net gain from disposition of S corporation's assets allocated to New Jersey reported on the NJ-K-1(s) received from New Jersey electing S corporation(s) or from the Reconciliation Worksheet B Liquidated prepared for the trust. In case of a net loss, enter "0" on Line 2.

#### Line 3 – Net gain or loss from disposition of S corporation stock

**Resident trust -** Enter the net gain or loss from the disposition of S corporation stock and distributions in excess of the adjusted basis of the S corporation stock. The gain or loss and taxable excess distribution must be determined using the New Jersey adjusted basis of the stock. Information on calculating the New Jersey adjusted basis and the New Jersey gain or loss on disposition of S corporation shares can be found in Tax Topic Bulletin GIT-9S, *Income From S Corporations*.

Nonresident trust - Make no entry on Line 3.

#### Line 4 – Net gain from disposition of property

Combine Line 2 and Line 3 and enter the net gain. In case of a net loss, enter "0" on line 4.

#### Line 5 – Taxable S corporation portion of income

Add Line 1 and Line 4.

#### Line 6 - Tax due on S corporation portion of income

Multiply Line 5 by .0897.

Line 7 – Credit for income taxes paid to other jurisdictions on S corporation portion of income - Resident Trust Only To determine the credit(s) allowed for income taxes paid to other jurisdictions on S corporation portion of income complete Part I, Schedule(s) E.

#### Instructions for Part I, Schedule E – Credit for income taxes paid to other jurisdictions on S corporation income:

A separate credit calculation must be made for each jurisdiction that the resident trust is claiming a credit for taxes paid on S corporation income and/or a gain from disposition of the S corporation's assets.

A credit is not allowed for any tax imposed by another jurisdiction on S corporation income or on gain from disposition of the S corporation's assets allocated to New Jersey based on the corporation's New Jersey allocation factor.

In calculating the credit, the income in the numerator, Line 52, must be included in the denominator, Line 53. The tax paid to the other jurisdiction is limited to the tax actually paid to the other jurisdiction on the amount of income reported in the numerator. The New Jersey tax amount used in the calculation, on Line 54, is limited to the New Jersey tax reported on Part I, Line 6.

Total the credit(s) allowed from Line 56 and enter the result on Line 7. Include all credit calculations with the return.

## Line 8 – Balance of tax due on S corporation portion of income Subtract Line 7 from Line 6.

#### PART II - Instructions - Non S Corporation Income

Part II Lines 9-30 are for the reporting of non S corporation income, deductions and credits.

A **Resident Trust** must complete Part II if it has non S corporation income.

A Nonresident Trust must complete Part II, and Part II, Schedule G, if it has non S corporation income from New Jersey sources, whether or not distributed.

Complete applicable Part II Schedules and include with return. Line-by-Line instructions can be found in the NJ Fiduciary Income Tax Return, Form NJ-1041.

Line 19 - Distributions – Enter total distributions of non S corporation income from Part II, Schedule D, line 51A. Do not include distributions of S corporation income reported in Part I.

Line 21 - Income Commissions - Enter income commissions paid or accrued and that are specifically related to the non S corporation gross income reported on Line 18, Part II. Do not include any income commissions paid or accrued on S corporation income reported in Part I.

Line 29- Credit for income taxes paid to other jurisdictions on non S corporation income - Resident Trust Only To determine the credit(s) for income taxes paid to other jurisdictions on non S corporation portion of income complete Part II, Schedule(s) E.

#### Instructions for Part II, Schedule E – Credit for income taxes paid to other jurisdictions on non S corporation income:

A separate credit calculation must be made for each jurisdiction that the resident trust is claiming a credit for taxes paid on non S corporation income.

In calculating the credit, the income in the numerator, Line 52, must be included in the denominator, Line 53. The tax paid to the other jurisdiction is limited to the tax actually paid to the other jurisdiction on the amount of income reported in the numerator. The New Jersey tax amount used in the calculation, on Line 54, is limited to the New Jersey tax reported on Part II, Line 28.

Total the credit(s) allowed from Line(s) 56 and enter the result on Part II, Line 29. Include all credit calculations with the return.

## Line 30 – Balance of tax due on non S corporation portion of income Subtract Line 29 from Line 28.

## Line 31 – Total tax due on S corporation and non S corporation income Add Line 8 and Line 30.

#### Line 32 - Estimated payments/prior year credits and tax credits

Enter the total of estimated tax payments, prior year credits and the Sheltered Workshop Tax Credit from Partnership or LLC and include NJK-1 with return.

#### Line 33 - Tax paid by partnerships

Enter the tax paid by partnerships on behalf of a nonresident trust and tax distributed to a nonresident trust from a nonresident estate or trust. Copies of the trust's partnership NJK-1(s) (Form NJ-1065) and beneficiary NJK-1(s) (Form NJ-1041) must be included with the return.

#### Line 34 - Tax paid by partnerships and distributed - Nonresident Trust Only

Enter the amount from Part II, Schedule D, Line 51C - tax paid by partnerships and distributed to nonresident beneficiaries.

#### Line 35 - Balance of tax paid by partnerships

Subtract Line 34 from Line 33.

#### Line 36 - Total payments and credits

Enter the total of lines 32 and 35.

Lines 37 and 38 – If Line 36 is less than Line 31, enter the balance due on Line 37. If Line 36 is more than Line 31, enter the overpayment on Line 38.

Information and instructions for calculating late penalties and interest and estimated tax payments are included in the Fiduciary Income Tax Return booklet, Form NJ-1041.

#### Line 37 - Balance of tax due

Attach payment by check or money order, payable to "State of New Jersey – TGI" and a completed payment voucher (Form NJ-1041-V) and mail to: State of New Jersey-TGI, Division of Taxation, Revenue Processing Center, PO Box 648, Trenton, NJ 08646-0648.

#### Line 39 - Credit to 2018 tax

Enter amount of overpayment from Line 38 you wish to credit to 2018.

#### Line 40 - Refund

Subtract Line 39 from Line 38.

#### **Signature and Date**

The return must be signed and dated by the individual fiduciary or by the authorized officer of the organization receiving, having custody or control and management of the income of the trust, and having the authority to make the election.

#### **INSTRUCTIONS FOR SCHEDULE NJK-1 (Form NJ-1041SB)**

A resident beneficiary is subject to New Jersey Gross Income Tax on the ESBT's net non S corporation income actually distributed or required to be distributed during the taxable year.

A nonresident beneficiary is subject to New Jersey Gross Income Tax on the ESBT's net non S corporation income sourced to New Jersey that was actually distributed or required to be distributed during the taxable year.

Prepare a Schedule NJK-1 for each beneficiary using the information listed on Part II Schedule D, Form NJ-1041SB. Include the NJK-1(s) with Form NJ-1041SB.