

**FORM 301  
2023**

**New Jersey Corporation Business Tax  
Urban Enterprise Zone Investment Tax Credit**

Name as Shown on Return	Federal ID Number	Unitary ID Number, if applicable <b>NU</b>
-------------------------	-------------------	---

**Read the instructions before completing this form**

**Note:** This investment tax credit is available **only** to an approved "Qualified Business" that has made an investment or other expenditure in an Urban Enterprise Zone, which has been made pursuant to an agreement with the governing body of the qualifying municipality that was approved by the New Jersey Urban Enterprise Zone Authority (in but not of the New Jersey Department of Community Affairs).

**Combined Return Filers**

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

**Part I Qualifications**

1. Is the taxpayer certified by the New Jersey Urban Enterprise Zone Authority (in but not of the New Jersey Department of Community Affairs) as a "qualified business" under the Urban Enterprise Zones Act? .....  YES  NO
2. Enter your Urban Enterprise Zone permit number \_\_\_\_\_
3. Was the taxpayer engaged in the active conduct of a trade or business in the zone for at least one year prior to the zone designation? .....  YES  NO
4. Does the taxpayer employ fewer than 50 full-time, permanent employees? .....  YES  NO
5. Was the investment made pursuant to an agreement with the governing body of the qualifying municipality that was approved by the New Jersey Urban Enterprise Zone Authority (in but not of the New Jersey Department of Community Affairs)? .....  YES  NO

**Note:** If the answer to any of the above questions is "NO," do not complete the rest of this form. The taxpayer does **not** qualify for this tax credit. Otherwise, go to Part II.

**Part II Calculation of the Available Credit**

6. Enter the amount of the approved investment.....	6.	
7. Enter 8% (.08) of the amount on line 6.....	7.	
8. Urban Enterprise Zone Investment Tax Credit carried forward from prior year .....	8.	
9. Total credit available (add lines 7 and 8).....	9.	

**Part III Calculation of the Allowable Credit Amount and Carryforward  
(Combined return filers DO NOT complete Part III. Continue with Part IV.)**

10. Enter tax liability from page 1, line 2a of CBT-100 or CBT-100S.....	10.	
11. Enter the required minimum tax liability (see instructions) .....	11.	
12. Subtract line 11 from line 10 .....	12.	
13. Other tax credits used by taxpayer on current year's return (see instructions):		
(a) _____		
(b) _____		
(c) _____		
(d) _____ Total	13.	
14. Subtract line 13 from line 12. If zero or less, enter zero .....	14.	
15. Allowable credit for the current tax period. Enter the lesser of line 9 or line 14 here and on Schedule A-3, Part I of the CBT-100 or CBT-100S.....	15.	
16. Amount of credit carryforward to following year's return (subtract line 15 from line 9).....	16.	

Name as Shown on Return	Federal ID Number	Unitary ID Number, if applicable <b>NU</b>
-------------------------	-------------------	---

**Part IV Calculation of Allowable Credit Amount and Carryforward – Combined Return Filers ONLY**

**Section A – ALL Combined Return Filers**

17. Enter the group tax liability from Schedule A, Section II, Part III, line 4a, column (c) of CBT-100U...	17.	
18. Enter the aggregate minimum tax of combined group members (see instructions).....	18.	
19. Subtract line 18 from line 17.....	19.	
20. Other tax credits used by combined group on current year's return (see instructions):		
(a) _____		
(b) _____		
(c) _____		
(d) _____ Total	20.	
21. Subtract line 20 from line 19. If zero or less, enter zero.....	21.	
22. Allowable credit for the current tax period. Enter the lesser of line 9 or line 21. <b>If sharing</b> , also enter in the member's column of Schedule A-3, Part I of the CBT-100U.....	22.	
<b>If SHARING credit, complete line 23.</b>		
<b>If NOT sharing credit, skip line 23 and complete Section B.</b>		
23. Amount of credit carryforward to following year's return (subtract line 22 from line 9).....	23.	

**Section B – Combined Return Filers NOT Sharing Credit**

24. a) Enter combined group tax liability from line 17.....	24a.		
b) Divide line 24a by the combined group allocation factor from Schedule J, line 9.....	24b.		
c) Member's share of combined group tax liability – Multiply line 24b by member's allocation factor from Schedule J, line 9.....	24c.		
25. Required minimum tax liability.....	25.	2,000	
26. Subtract line 25 from line 24c.....	26.		
27. Other tax credits used by taxpayer on current year's return (see instructions):			
(a) _____			
(b) _____			
(c) _____			
(d) _____ Total	27.		
28. Subtract line 27 from line 26. If zero or less, enter zero.....	28.		
29. Allowable credit for the current tax period. Enter the lesser of line 22 or line 28 here and in the member's column of Schedule A-3, Part I of the CBT-100U.....	29.		
30. Amount of credit carryforward to following year's return (subtract line 29 from line 9).....	30.		

# Instructions for Form 301 Urban Enterprise Zone Investment Tax Credit

## Purpose of This Form

This form must be completed by any taxpayer that is a certified “qualified business” claiming an Urban Enterprise Zone Investment Tax Credit and/or credit carryforward as provided for in the New Jersey Urban Enterprise Zones Act, N.J.S.A. 52:27H-60 et seq. This credit is only available to an employer with less than 50 employees. The investment must be at least \$5,000 if there are 10 or fewer employees and increases by \$500 for each additional employee. If the taxpayer claims this credit on Form CBT-100, CBT-100U, or CBT-100S, a completed Form 301 must be included with the return to validate the claim. While not required to claim the credit, proof of investment should be retained by the taxpayer and made available for review upon request.

Certification as a “qualified business” must be obtained from the New Jersey Urban Enterprise Zone Authority (in but not of the Department of Community Affairs), PO Box 822, Trenton, NJ 08625-0822, phone (609) 292-1912.

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

Although there is a limitation of the amount of credit allowed in any one tax year, the amount of the unused tax credit may be carried forward to a future tax year provided that tax year falls within a 20-year period beginning with the date of designation of the enterprise zone, or if later, a period of 20 tax years beginning with the date within the designation period upon which the taxpayer is first subject to the Corporation Business Tax Act (1945), P.L. 1945, c. 162, N.J.S.A. 54:10A-1 et seq.

## Combined Return Filers

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

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



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

## Part I – Taxpayer Qualifications

To be eligible for the Urban Enterprise Zone Investment Tax Credit, the taxpayer must meet the requirements contained in the Urban Enterprise Zones Act, N.J.S.A. 52:27H-60 et seq. If an answer to any one of the questions listed in Part I is “NO,” the taxpayer is **not** entitled to the credit.

## Part II – Calculation of the Available Credit

Follow the instructions on lines 6 through 9 to calculate the total Urban Enterprise Zones Investment Tax Credit.

## Part III – Calculation of the Allowable Credit Amount and Carryforward (for CBT-100 and CBT-100S Filers only)

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

**Line 11** – The minimum tax is assessed based on the New Jersey Gross Receipts as follows:

New Jersey Gross Receipts	CBT-100	CBT-100S
Less than \$100,000	\$500	\$375
\$100,000 or more but less than \$250,000	\$750	\$562
\$250,000 or more but less than \$500,000	\$1,000	\$750
\$500,000 or more but less than \$1,000,000	\$1,500	\$1,125
\$1,000,000 or more	\$2,000	\$1,500

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

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

## **Part IV – Calculation of the Allowable Credit Amount and Carryforward for Combined Return Filers**

For CBT-100U filers, the total and allowable Urban Enterprise Zone Investment Tax Credit for the current year is calculated in Part IV. All combined return filers must complete Section A. Members that choose not to share their credit must also complete Section B.

### **Section A – To be completed by ALL combined return filers**

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

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

**Line 18** – Multiply the number of taxable group members by \$2,000 and enter the result.

**Line 20** – Combined groups claiming multiple credits must list any credits already applied to the group tax liability to ensure accuracy of the calculation for maximum credit allowable.

### **Section B**

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

**Line 27** – Members claiming multiple credits must list any credits already applied to the member's tax liability to ensure accuracy of the calculation for maximum credit allowable.