FORM 312 (3-21) 2020

## New Jersey Corporation Business Tax Effluent Equipment Tax Credit

Name as Shown on Return	e as Shown on Return Federal ID Number Unitary ID Nu		ımber, if applicable				
Po	Read the instructions before completing this form						
Combined Return Filers	ad the instructions before complet	ing this form					
The taxpayer is included as a taxable me Fill in oval if member is <b>not</b> sharing its cr							
Part I Qualifications							
Did the taxpayer purchase the effluent beginning on or after July 1, 2002?			LJ YES	□NO			
2. Has the taxpayer applied for or received a determination of environmentally beneficial operation from the Commissioner of the Department of Environmental Protection with respect to the equipment for which the credit is sought?							
3. Is the equipment used exclusively in Ne	ew Jersey?		YES	$\square$ NO			
Note: If the answer to any of the above questions is "NO," do not complete the rest of this form. The taxpayer does <b>not</b> qualify for the this tax credit. Otherwise, go to Part II.							
Part II Effluent Treatment and Con	veyance Equipment						
(A) (B) (C) MONTH & COST YEAR PLACED IN SERVICE	(D) LOAN AMOUNT FROM DEPT OF ENVIRONMENTAL PROTECTION PLUS SALES & USE TAX PAID	(F) 50% OF COLUMN (E) (G) # OF MONTH USED IN N.		(I) CREDIT USED/ SHARED IN PRIOR YEARS			
a)							
b)							
c)							
d)							
e)							
		Total					
Part III Calculation of Available Cre							
4. Enter the total of column (H), Part II			4.	,			
5. Enter the total of column (I), Part II			5. 6.				
	6. Subtract line 5 from line 4						
7. Enter 20% of line 4			7.				
8. Total credit available. Enter the lesser of			8.				
Part IV Calculation of Allowable Cr (Combined return filers DO	NOT complete Part IV. Continue	e with Part V.)					
9. Enter tax liability from page 1, line 2 of	CBT-100, CBT-100S, or BFC-1		9.				
10. Enter the required minimum tax liability			10.				
11. Subtract line 10 from line 9							
12. Enter 50% of the tax liability reported o							
13. Enter the lesser of line 11 or line 12	13.						
14. Other tax credits used by taxpayer on							
(a)							
(b)							
(c)							
(d)		Total	14.				
15. Subtract line 14 from line 13. If zero or	less, enter zero		15.				
16. Allowable credit for the current tax peri		5 here and on Part I,	16				

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D:								
Part V Calculation of Allowable Credit Amount – Combined Return Filers ONLY								
	Enter the group tax liability from Schedu		• •		17.			
	Enter the aggregate minimum tax of cor	• • • • • • • • • • • • • • • • • • • •	,		18.			
19.					19.			
	<ul><li>20. Enter 50% of the tax liability reported on line 17</li><li>21. Enter the lesser of line 19 or line 20</li></ul>			20.				
21.					21.			
22.	22. Other tax credits used by combined group on current year's return (see instructions):							
	(a)							
	(b)							
	(c)							
	(d)			Total	22.			
23.	Subtract line 22 from line 21. If zero or I	ess, enter zero			23.			
24.	Allowable credit for the current tax period enter in the member's column of Part I,				24.			
If N	OT sharing credit, complete Section B	3.						
Sec	tion B – Combined Return Filers NOT	Sharing Credit						
25.	a) Enter combined group tax liability fro	om line 17	25a.					
	b) Divide line 25a by the combined ground Schedule J, line 9	up allocation factor from	25b.					
c) Member's share of combined group tax liability – Multiply line 25b by member's allocation factor from Schedule J, line 9			25c.					
26.	Required minimum tax liability				26.	2,000		
27.					27.			
28.	Enter 50% of the tax liability reported or	n line 25c			28.			
29.	Enter the lesser of line 27 or line 28				29.			
30.	Other tax credits used by taxpayer on c	urrent year's return (see ins	tructions):					
	(a)		_ ′					
	(b)							
	(c)			Tatal	20			
	(d)			Total	30.			
	Subtract line 30 from line 29. If zero or I	·			31.			
32.	Allowable credit for the current tax period member's column of Part I, Schedule A				32.			

# Instructions for Form 312 Effluent Equipment Tax Credit

This form must be completed by any taxpayer claiming an Effluent Equipment Tax Credit on CBT-100, CBT-100U, CBT-100S, or BFC-1 in accordance with N.J.S.A. 54:10A-5.31, P.L. 2001, c.32, Section 1. A completed Form 312 must be included with the return to validate the claim.

Unused tax credits may be claimed in subsequent tax years subject to the limitations set forth on this form.

Parts IV and V are used to calculate the allowable credit and carryover. Taxpayers filing Forms CBT-100, CBT-100S, or BFC-1 complete Part IV and CBT-100U filers complete Part V.

#### **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 V, 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 V, Section B and fill in the oval at the top of the form to indicate they are not sharing the credit.

#### Part I - Qualifications

To be eligible for the tax credit, the answer to all questions in Part I **must** be "YES." If the answer to any of the questions is "NO," the taxpayer is **not** entitled to the Effluent Equipment Tax Credit.

Taxpayers that have received the determination of environmentally beneficial operation from the Commissioner of the Department of Environmental Protection **must** include a copy of each determination along with Form 312 with the tax return. Also, taxpayers must include an affidavit stating that the treatment equipment or conveyance equipment is or will be used exclusively in New Jersey.

**Note:** No amount of cost included in the calculation of this tax credit shall be included in the costs for calculation of any other credit against the tax imposed pursuant to section 5 of P.L. 1945, c.162 (N.J.S.A. 54:10A-5).

#### Part II – Effluent Treatment and Conveyance Equipment

Complete the information requested in each of the columns (A) through (I) for each piece of equipment. If additional space is needed, include a rider in like format containing the information required in columns (A) through (I).

The cost amount to be reported in column (C) is the invoice cost of the equipment.

Column (D) must reflect the total of the amount of any loan from the Department of Environmental Protection made pursuant to section 5 of P.L. 1981, c. 278 as amended (N.J.S.A. 13:1E-96) plus the amount of any Sales and Use Tax paid pursuant to P.L. 1966, c.30 as amended (N.J.S.A. 54:32B-1 et seq.).

Enter in column (G) the number of months that the equipment was used in New Jersey during the period covered by the return.

The prorated credit amount, reported in column (H), is computed by multiplying column (F) by column (G) and dividing the result by 12.

Enter the totals of the amounts reported in columns (H) and (I) in the space provided. Combined return filers, include in column (I) any amounts shared with other members in prior years.

#### Part III - Calculation of Available Credit

Follow the instructions on lines 4 through 8 to calculate the total Effluent Equipment Tax Credit.

#### Part IV - Calculation of Allowable Credit Amount (for CBT-100, CBT-100S, and BFC-1 Filers only)

For CBT-100, CBT-100S, and BFC-1 filers, the allowable Effluent Equipment Tax Credit for the current year is calculated in Part IV. Combined return filers do not complete Part IV, and must complete Part V instead. 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 that would reduce the total tax liability below the statutory minimum.

Line 10 – The minimum tax is assessed based on the New Jersey Gross Receipts as follows:

New Jersey Gross Receipts	CBT-100/BFC-1	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 14 – 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 V - Calculation of Allowable Credit Amount for Combined Return Filers

For CBT-100U filers, the total and allowable Effluent Equipment Tax Credit for the current year is calculated in Part V. 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 exceed 50% of the group tax liability otherwise due and 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 22 – 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 exceed 50% of the member's tax liability otherwise due and 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 30 – 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.