Form PD5 (rev. Jan. 2011)

ANNUAL POST-TAX YEAR INCOME STATEMENT OF QUALIFIED NEW JERSEY RESIDENT SENIOR CITIZEN, DISABLED PERSON, OR SURVIVING SPOUSE/SURVIVING CIVIL UNION PARTNER REQUIRED TO CONTINUE RECEIPT OF REAL PROPERTY TAX DEDUCTION ON DWELLING HOUSE (N.J.S.A. 54:4-8.40 et seq.; L. 1963, c. 172 as amended) (**N.J.A.C.** 18:14-1.1 et seq.) P.L. 2006, Chapter 103, the Civil Union Act, effective February 19, 2007.

This INCOME STATEMENT must be filed with the municipal tax collector timely by March 1 annually or it will result in loss of the deduction and you will be billed for the deducted amount.

SEE REVERSE SIDE FOR INSTRUCTIONS

1. NAMES OF REAL PROPERTY TAX DEDUCTION RECIPIENT(S)
A)
B)
CLAIMANT'S SS# AND SPOUSE'S/CIVIL UNION PARTNER'S SS# if applicable
Claimant's Social Security #
Spouse's/Civil Union Partner's Social Security #

2. LOCATION OF CLAIMED DWELLING HOUSE

Municipality of: County of:

Street Address or Unit Number:

Block: Lot: Qualifier:

Name and Address of Cooperative or Mutual Housing Corporation, if applicable:

3. CONFIRMATION OF INCOME FOR TAX YEAR FOR WHICH DEDUCTION WAS GRANTED

I declare and confirm that the total annual income I (and my spouse/civil union partner combined) received from all sources after permitted income exclusion, during the previous calendar tax year: _____ (year)

☐ **DID NOT** exceed $10,000. ☐ **DID** exceed $10,000. *See Reverse Side for Definition of Income and Excludable Income Defined*

4. ESTIMATION OF ANTICIPATED INCOME FOR CURRENT TAX YEAR

I reasonably anticipate that the total annual income I (and my spouse/civil union partner combined) will receive from all sources, after permitted income exclusion, during the current calendar tax year _____ (year)

☐ **WILL NOT** exceed $10,000. ☐ **WILL** exceed $10,000.

5. REAFFIRMATION OF ELIGIBILITY

☐ I reaffirm that all information provided on the initial CLAIM FORM PTD concerning New Jersey domicile or legal residence, principal residence in and ownership of the above identified dwelling house as of October 1 pretax year, i.e., the year prior to the calendar tax year, as well as personal data; i.e., age, disability, marital/civil union status as previously filed with the municipal tax assessor and/or collector is true and accurate and remains unchanged except as listed below.*

CHOOSE A, B, or C.

A. ☐ As a surviving spouse/surviving civil union partner, I have not remarried/entered into a new civil union partnership.

B. ☐ As a permanently and totally disabled person, I also reaffirm that my disability status has not changed.

C. ☐ I initially applied as a senior citizen, age 65 or more.

*List below any changes in domicile, residence or occupancy, ownership, marital/civil union status, disablement etc.; if none, state "none":

_____

_____

I certify the above declarations are true to the best of my knowledge and belief and understand they will be considered as if made under oath and subject to penalties for perjury if falsified. **I authorize the State of New Jersey, Division of Taxation to conduct a review of my Federal and State Income Tax and any income/eligibility data provided for other property tax benefits in order to verify my eligibility for the senior citizen/disabled person/surviving spouse/civil union partner property tax deduction.**

_____

Signature of Claimant Date

WARNING

Failure to timely file this statement with the collector or to submit proof of income as he or she requires OR where annual income exceeds the statutory limit will result in disallowance of the previously granted deduction or jeopardize its continuation. Disallowed deductions must be repaid on or before June 1 of the post-tax year or become delinquent, a lien on the property and a personal debt of the claimant.

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OFFICIAL USE ONLY

☐ Approved

☐ Disapproved

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Signature of Collector Date

FORM PD5 **GENERAL INSTRUCTIONS**

1. **FILING PROCEDURE** - On or before March 1 of the post-tax year, deduction recipients MUST file this Income Statement with the municipal tax collector to confirm that annual income for the preceding tax year did not exceed the $10,000 limit, after permitted income exclusion, and that anticipated income for the current tax year will not exceed $10,000. Deduction recipients must also confirm that all other eligibility conditions continue to be met.
2. **APPLICABLE INCOME PERIOD** - The income period is the same tax year as the tax year for which the deduction was claimed or received. For example, an Annual Post-Tax Year Statement to be filed on or before March 1, 2011 should support the deduction claim for tax year 2010 by confirming actual 2010 income. It should also support the current deduction claim for tax year 2011 by estimating 2011 anticipated income.
3. **EXTENSION OF TIME FOR FILING THIS INCOME STATEMENT** - Where illness or medical problem, as certified by a physician's statement, prevents timely filing of the Annual Post-Tax Year Income Statement the collector may at his or her discretion grant a reasonable extension of time to file but no later than May 1 of the post-tax year.
4. **INCOME DEFINED** - **N.J.S.A.** 54:4-8.40(a) defines "income" as all income from whatever source derived including, but not limited to, realized capital gains except for a capital gain resulting from the sale or exchange of real property owned and used by the taxpayer as his principal residence...and, in their entirety, pension, annuity and retirement benefits.

N.J.A.C. 18:14-1.1 defines "income" as salaries, wages, bonuses, commissions, tips and other compensations before payroll deductions, all dividends, interest, realized capital gains, royalties, income from rents, business income and, in their entirety, pension, annuity and retirement benefits. Realized capital gains, except for capital gain resulting from the sale or exchange of real property owned and used by the taxpayer as his principal residence,...and dividends, interest, pensions, annuities and retirement benefits must be included in full without deductions even though they may be wholly or partially exempt for Federal income tax purposes.

N.J.A.C. 18:14-1.1 further defines "business income" as gross income derived from a business, trade, profession or the rental of property after deductions of the ordinary and necessary expenses of the business, trade, profession or rental of property allowed under the Federal Internal Revenue Code and regulations.

"Disability benefits," the New Jersey Constitution and statutes are silent on the subject of disability income other than those disability benefits received under a Federal, State, or Political Subdivision program which are excludable only to the extent of the maximum benefit received under the Federal Social Security Act. Therefore, any other disability income received should be evaluated for inclusion or exclusion based on its proper treatment for Federal Income Tax purposes.

"Married/civil union person's income," income received by the applicant and spouse/civil union partner is combined in establishing eligibility for the property tax deduction unless they are living separately. **N.J.S.A.** 54:4-8.41 provides, in part, income of a married/civil union person includes an amount equal to the income of the spouse/civil union partner during the applicable income year, except for that portion of the year as the two were living apart in a state of separation, whether under judicial decree or otherwise.

N.J.A.C. 18:14-1.1 also provides income of claimant's family members other than a spouse/civil union partner is not to be combined with income of claimant.

NOTE: In accordance with the Civil Union Act, eligibility guidelines that apply to married couples and surviving spouses apply equally to civil union couples.

5. **EXCLUDABLE INCOME DEFINED** - Benefits are excludable under only ONE of three categories:
   1. The Federal Social Security Act and all its amendments and supplements;
   2. Any other Federal government program or Federal law which provides benefits in whole and in part in lieu of Social Security benefits or for persons excluded from coverage under Social Security, including but not limited to the Federal Railroad Retirement Act and Federal pension, disability and retirement programs;
   3. Pension, disability or retirement programs of any state or its political subdivisions, or agencies for persons not covered under Social Security.

   ** NOTE: Where the claimant and/or spouse/civil union partner receives only Social Security benefits and no benefits under 2. & 3., the amount of Social Security received can be deducted from income in full. Where the claimant and/or spouse/civil union partner receives both Social Security benefits and government retirement/disability benefits under 2. or 3., the larger of either one of the income categories can be deducted but any government pension/disability benefit deduction cannot exceed the maximum allowable Social Security benefit. The amount of federal, state, county, municipal pension, disability or retirement benefit etc. excluded should be based on actual benefits received provided that the total excluded under 2. or 3. above is not in excess of the maximum benefit amount excludable in similar circumstances under 1. Social Security. **N.J.S.A.** 54:4-8.40(a) (1) (2) (3).
6. **DOCUMENTARY PROOFS REQUIRED** - Each collector may require any information necessary to establish claimant's deduction entitlement.
7. **DISALLOWANCE** - Failure to timely file this statement or meet income and other eligibility requirements will result in disallowance of the deduction. Claimants will be notified by formal Notice of Disallowance. Disallowed deductions must be repaid on or before June 1 of the post-tax year or where a filing extension was granted no later than thirty days after mailing of the Notice of Disallowance. If unpaid, taxes will be delinquent, constitute a lien on the property and a personal debt of claimant.
8. **APPEALS** - Disallowed claims may be appealed to the county board of taxation.

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