

Worksheet H Property Tax Deduction/Credit

Review the eligibility requirements on page 25 before completing Worksheet H. Part-year residents see page 30.

Complete both columns of this worksheet to find out whether the deduction or the credit is better for you.

1. **Property Taxes.** Enter the property taxes from line 40a, Form NJ-1040. 1. _____
 Senior Freeze (Property Tax Reimbursement) applicants must use their base year amount.
(See instructions on page 30.)

2. **Property Tax Deduction.** Is the amount on line 1 of this worksheet \$15,000 or more (\$7,500 or more if you and your spouse file separate returns but maintained the same main home)?

Yes. Enter \$15,000 (\$7,500 if you and your spouse file separate returns but maintained the same main home).

No. Enter the amount from line 1. 2. _____

STOP — if you are claiming a credit for taxes paid to other jurisdictions.
 Complete only lines 1 and 2. Then complete Schedule NJ-COJ and Worksheet I.
 (See instructions on page 31.)

3. Taxable Income (From line 39 of Form NJ-1040)

4. Property Tax Deduction (From line 2 above)

5. New Jersey Taxable Income (Subtract line 4 from line 3)

6. Tax on line 5 amount (From Tax Table or Tax Rate Schedules)

7. Subtract line 6, column A from line 6, column B

	Column A		Column B
3.		3.	
4.		4.	- 0 -
5.		5.	
6.		6.	
7.		7.	

8. **Is the line 7 amount \$50 or more** (\$25 if you and your spouse file separate returns but maintained the same main home)?
Part-year residents see page 30 before answering "No."

Yes. The Property Tax Deduction is more beneficial for you. Make the following entries on your return.

<i>Form NJ-1040</i>	<i>Enter amount from:</i>
Line 41	Line 4, column A
Line 42	Line 5, column A
Line 43	Line 6, column A
Line 56	Make no entry

No. The Property Tax Credit is more beneficial for you. Make the following entries on your return.

<i>Form NJ-1040</i>	<i>Enter amount from:</i>
Line 41	Make no entry
Line 42	Line 5, column B
Line 43	Line 6, column B
Line 56	\$50 (\$25 if you and your spouse file separate returns but maintained the same main home). Part-year residents must prorate this amount. (See instructions on page 30.)

(Keep for your records)