

## Tax Declaration Instructions

This form is only to be completed by nonresident individuals, estates or trusts selling property in New Jersey on or after August 1, 2004.

- Name(s): Name of seller(s). If more than one owner separate forms must be used except for Husband & Wife that file jointly
- Address: Seller(s) primary residence or place of business. Do not use the address of the property being sold if a new residence has been established.
- Property Information: Information as listed on deed of property being sold.
- Percentage of Ownership: If there is more than one owner list seller's % of ownership.
- Consideration: Consideration" means in the case of any deed, the actual amount of money and the monetary value of any other thing of value constituting the entire compensation paid or to be paid for the transfer of title to the lands, tenements or other realty, including the remaining amount of any prior mortgage to which the transfer is subject or which is assumed and agreed to be paid by the grantee and any other lien or encumbrance not paid, satisfied or removed in connection with the transfer of title. If there is more than one owner, indicate seller's portion of total consideration received. If the total consideration for the property is \$1,000 or less complete the Seller's Residency Certification/Exemption form GIT/REP-3 and check box 6 under Seller's Assurances. .
- Signature: Seller(s) must sign and date the declaration. If the seller's representative is signing the declaration a copy of the power of attorney form or letter signed by the seller granting this authority must be attached.

The NJ-1040-ES must be completed in its entirety. The seller must include their social security number or federal tax identification number.

Payment in the form of check or money order should be made payable to the State of New Jersey - Division of Taxation. Cash is not acceptable. Tax payment is determined by multiplying the gain on the sale of the property by the highest Gross Income Tax rate of 8.97%. Gain is to be determined without taking into consideration any distributions during the taxable year to beneficiaries by estates or trusts. In no case can the payment be less than 2% of the consideration received.

All information requested on this form must be completed. Failure to complete the form in its entirety will result in the deed not being recorded.

This form and associated payment must be completed at the time of closing and given to the buyer or the buyer's attorney.

The buyer or buyer's attorney must submit the original Sellers Declaration of Tax to the county clerk at the time of recording the deed. Failure to submit the Sellers Declaration of Tax or the Seller's Residency Certification or a Tax Prepayment Receipt will result in the deed not being recorded.

The county clerk will attach the top portion of the form to the deed when recorded. The bottom portion, NJ-1040-ES, along with remittance will be forwarded by the County Clerk to the State of New Jersey, Revenue Processing Center, PO Box 222, Trenton, New Jersey 08646-0222.

Additional information regarding the Gross Income Tax estimated payment requirements on the sale of real estate can be found on the Division of Taxation's web page at [www.state.nj.us/treasury/taxation](http://www.state.nj.us/treasury/taxation).

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