**For each scenario below, fill in your calculated values for:**

* **Schedule A line 5b** – Amount to claim on Schedule A line 5b Real Estate Taxes
* **Federal Schedule 1 line 8** – Amount to claim on Federal Schedule 1 line 8 Other Income
* **NJ Property Taxes** – Amount to claim on NJ 1040 for Property Taxes

Assume taxpayer meets all eligibility requirements to claim deductions and credits

Ignore possible impact of State Tax Refund Worksheet

| **SCENARIO** | **AMOUNTS TO CLAIM** |
| --- | --- |
| **Scenario 1: Homeowner**   * Has not itemized over the last 5 years * Net Taxes Billed on Tax Assessor postcard $3,595 * Property tax Veterans deduction (from taxpayer) $0 * Homestead Benefit received in current tax year $150 * PTR received in current tax year $495 * PTR base year amount $3,000 | Amount on Schedule A line 5b \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Amount on Federal Schedule 1 line 8 \_\_\_\_\_\_\_\_\_    Amount on NJ 1040 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| **Scenario 2: Homeowner**   * Has not itemized over the last 5 years * Net Taxes Billed on Tax Assessor postcard $6,250 * Real estate taxes paid on a vacation home $1,000 * Property tax Veterans deduction (from taxpayer) $0 * Homestead Benefit received in current tax year $270 * PTR received in current tax year $0 * PTR base year amount $0 | Amount on Schedule A line 5b \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Amount on Federal Schedule 1 line 8 \_\_\_\_\_\_\_\_\_  Amount on NJ 1040 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| **Scenario 3: Homeowner**   * Itemized on returns from prior year and 3 years ago and claimed Real Estate Taxes on Schedule A * Net Taxes Billed on Tax Assessor postcard $2,029 * Property tax Veterans deduction (from taxpayer) $250 * Homestead Benefit received in current tax year $75 * PTR received in current tax year $235 * PTR base year amount $1,680 | Amount on Schedule A line 5b \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Amount on Federal Schedule 1 line 8 \_\_\_\_\_\_\_\_\_    Amount on NJ 1040 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| **Scenario 4: Homeowner**   * Itemized on returns from prior year and 3 years ago and claimed Real Estate Taxes on Schedule A * Total Tax on Property Tax bill $7,450 * Net Tax on Property Tax bill $7,200 (received $250 Veterans Deduction) * Homestead Benefit received in current tax year $340 * PTR received in current tax year $0 * PTR base year amount $0 | Amount on Schedule A line 5b \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Amount on Federal Schedule 1 line 8 \_\_\_\_\_\_\_\_\_    Amount on NJ 1040 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| **Scenario 5: Homeowner**   * Itemized on returns from prior year and 3 years ago and claimed Real Estate Taxes on Schedule A * Taxes paid shown on Mortgage Stmt (1098) $6,750 * Property tax Veterans deduction $0 * Homestead Benefit received in current tax year $320 * PTR received in current tax year $420 * PTR base year amount $6,550 | Amount on Schedule A line 5b \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Amount on Federal Schedule 1 line 8 \_\_\_\_\_\_\_\_\_    Amount on NJ 1040 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| **Scenario 6: Homeowner**   * Itemized on returns from prior year and 3 years ago and claimed Real Estate Taxes on Schedule A * Taxes paid based on cancelled checks $5,228 * Property tax Veterans deduction (from taxpayer) $250 * Homestead Benefit received in current tax year $230 * PTR received in current tax year $0 * PTR base year $0 | Amount on Schedule A line 5b \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Amount on Federal Schedule 1 line 8 \_\_\_\_\_\_\_\_\_    Amount on NJ 1040 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| **Scenario 7: Tenant**   * Total annual rent paid $12,000 | Amount on Schedule A line 5b \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Amount on NJ 1040 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| **Scenario 8: Mobile Home Owner**   * Total site fees paid $4,500 | Amount on Schedule A line 5b \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Amount on NJ 1040 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| **Scenario 9: Renter and Homeowner**   * Spouses owned and lived in a house from January 1 through July 31. Paid $6,000 in property taxes for this period. They then sold the house on July 31 * Spouses rented an apartment on June 1. Fixed up apartment during June and July. Moved into apartment on August 1. Paid $1,000 rent per month | Amount on Schedule A line 5b \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  Amount on NJ 1040 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| **Scenario 10: Taxpayer Income under NJ Filing Threshold**   * Taxpayer’s only income is Social Security and a small pension, so his gross income on NJ 1040 line 29 is $8,400 * Taxpayer is age 71 * Taxpayer owns his home. He meets all the general eligibility requirements to claim a property tax deduction/credit | If taxpayer is under filing threshold to file a NJ tax return, can he still claim a $50 property tax credit?  \_\_\_\_\_\_\_\_\_ |
| **Scenario 11: Prior Year State Taxes on Sch A Not Capped**   * Prior year NJ income taxes on Sch A..…………..$2,250 * Prior year property taxes on Sch A.……………...$3,250 * Prior year other itemized deductions…………….$4,000 * Prior year total itemized deductions……………...$9,500 * PTR received in current year for prior year………..$250 | Proper amount of prior year property taxes \_\_\_\_\_\_\_\_\_\_  Using proper amount of prior year property taxes:  Total amount of state taxes \_\_\_\_\_\_\_\_\_\_\_\_\_\_  Total amount of itemized deductions \_\_\_\_\_\_\_\_\_\_\_\_\_\_  Amount to claim as Other Income in current year  \_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| **Scenario 12: Prior Year State Taxes on Sch A Capped**   * Prior year NJ income taxes on Sch A..…………..$4,500 * Prior year property taxes on Sch A.……………...$8,000 * Prior year other itemized deductions…………….$6,500 * Prior year total itemized deductions…………....$16,500 * PTR received in current year for prior year………..$500 | Proper amount of prior year property taxes \_\_\_\_\_\_\_\_\_\_  Using proper amount of prior year property taxes:  Total amount of state taxes that can be claimed  \_\_\_\_\_\_\_\_\_\_\_\_\_  Total amount of itemized deductions \_\_\_\_\_\_\_\_\_\_\_\_\_\_  Amount to claim as Other Income in current year  \_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| **Scenario 13: Prior Year State Taxes on Sch A Capped**   * Prior year NJ income taxes on Sch A..…………..$5,000 * Prior year property taxes on Sch A.……………...$6,000 * Prior year other itemized deductions…………….$7,000 * Prior year total itemized deductions………….....$17,000 * PTR received in current year for prior year….…..$2,000 | Proper amount of prior year property taxes \_\_\_\_\_\_\_\_\_\_  Using proper amount of prior year property taxes:  Total amount of state taxes \_\_\_\_\_\_\_\_\_\_\_\_\_\_  Total amount of itemized deductions \_\_\_\_\_\_\_\_\_\_\_\_\_\_  Amount to claim as Other Income in current year  \_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| **Scenario 14: Prior Year State Taxes on Sch A Capped**   * Prior year NJ income taxes on Sch A..…………. $6,000 * Prior year property taxes on Sch A.……………...$4,500 * Prior year other itemized deductions……………. $2,500 * Prior year total itemized deductions………….... $12,500 * Prior year standard deduction…………………. $12,000 * PTR received in current year for prior year……. $1,500 | Proper amount of prior year property taxes \_\_\_\_\_\_\_\_\_\_  Using proper amount of prior year property taxes:  Total amount of state taxes \_\_\_\_\_\_\_\_\_\_\_\_\_\_  Total amount of itemized deductions \_\_\_\_\_\_\_\_\_\_\_\_\_\_  Amount to claim as Other Income in current year  \_\_\_\_\_\_\_\_\_\_\_\_\_\_ |