

Seller's Residency Certification/Exemption Instructions

This form is to be completed by individuals, estates, trusts or any other entity selling or transferring property in New Jersey not subject to the Gross Income Tax estimated payment requirements under C55, P.L. 2004.

Name(s): Name of seller(s). If more than one owner separate forms must be used except for husband & wife/civil union couples that file their income tax returns jointly.

Address: Seller(s) primary residence or place of business. Do not use the address of the property being sold. Unless a new residence (permanent place of abode, domicile) has been established in New Jersey and said new residence is listed under seller(s) information, the seller(s) is considered a nonresident. Part-year residents will be considered nonresidents.

Nonresident seller(s) will be required to make an estimated Gross Income Tax payment if they do not meet any of the seller(s) assurances.

Property Information: Information as listed on deed of property being sold.

Percentage of Ownership: If there is more than one owner list sellers % 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.

Seller Assurances: If you meet one of the eight criteria listed you are not required to make a tax payment at this time. Check which box is appropriate to your situation. Note that boxes 2 through 8 apply to residents and non-residents.

Persons claiming an exemption under block #2 must be claiming an income/gain exclusion on their federal return for the property being sold within the meaning of §.121 of the Internal Revenue Code of 1986.

Non-resident taxpayers claiming an exemption under box #7 for IRC section 1031 and receiving non-like kind property (i.e. money, stocks, etc.) as well as like kind property (i.e. real estate) with the exchange, must fill out the GIT/REP-1, NON-RESIDENT SELLER'S TAX DECLARATION form showing the non-like kind amount, and remit an estimated tax payment on the Fair Market Value of the consideration received for the non-like kind property. If no non-like property was received please check the block indicating such.

A third party (the accommodation party) for a deferred like-kind exchange must remit an estimated tax payment of 2% of the fair market value of the consideration received for the non-like kind property on behalf of the taxpayer if non-like property is received when the 1031 transaction is completed or remit 2% of the total consideration if the 1031 transaction is voided. Payment must be sent directly to the State of New Jersey, Revenue Processing Center, P.O. Box 222, Trenton, NJ 08646-0222. Please fill out GIT/REP-1 and NJ-1040-ES Voucher.

Complete a GIT/REP-3 AND GIT/REP-1. The GIT/REP-3 should show the value of the like kind exchange. The GIT/REP-1 should show the Fair Market Value of or consideration received for the non-like kind property (whichever is more).

Example: Mr. Smith exchanges rental property A with a fair market value of \$1.2 million for rental property B with a fair market value of \$1.0 million and receives \$200,000 in cash (non-like kind property). An estimated tax payment is required to be withheld on the \$200,000 in consideration of non-like kind property for non-residents.

PROPERTY A	\$1,200,000
PROPERTY B	\$1,000,000
CASH	\$ 200,000
<hr/>	
Consideration for estimated tax payment for GIT/REP-1	\$ 200,000

Signature: Seller(s) must sign and date the declaration. If the seller's representative is signing the declaration either (1) a Power of Attorney executed by the seller(s) to the representative must be previously recorded or recorded simultaneously with the deed to which this form is attached, or (2) a letter signed by the seller(s) granting authority to the representative to sign this form must be attached.

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 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 Seller's Residency Certification/Exemption (GIT/REP-3) to the county clerk at the time of recording the deed. Failure to submit the Seller's Residency Certification/Exemption (GIT/REP-3) or Nonresident Seller's Tax Declaration (GIT/REP-1) or a Nonresident Seller's Tax Prepayment Receipt (GIT/REP-2) will result in the deed not being recorded.

The county clerk will attach this form to the deed when recording the deed.

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.