



## INSTRUCTIONS FOR COMPLETION OF LEGISLATOR'S FINANCIAL DISCLOSURE STATEMENT FOR CALENDAR YEAR 2023 (Due May 15, 2024)

**NOTE:** Section 2:14 of the Legislative Code of Ethics was amended in 2023. You no longer need to provide the address, description, county, or municipality of the principal or secondary residence of you, your spouse, or minor child, unless you, your spouse, or minor child derived income from that property.

Section 2:14 of the Legislative Code of Ethics was amended in 2004 to require increased disclosure. Minimum threshold amounts for reporting a source have been eliminated; all sources in each category should be reported regardless of amount. Amounts are now required to be disclosed in classifications. Numerical codes are used to delineate the amount classification as follows: 1=less than \$10,000; 2=\$10,000 to \$24,999.99; 3=\$25,000 to \$49,999.99; and 4=\$50,000 or more. For the statement due May 15, 2024, make sure to use the form that states "LEGISLATOR'S FINANCIAL DISCLOSURE STATEMENT FOR CALENDAR YEAR 2023" at the top of page 1. If you are filling out the form online, make sure you enter calendar year 2023. In addition to this annual disclosure statement, you have a continuing obligation to report any termination or assumption of public employment of yourself or your spouse within 30 days, which report shall be an addendum to this statement. A form for that purpose is included with the financial disclosure form.

**I. EARNED INCOME** generally means employee compensation and earnings from self-employment. There are eight specific categories:

- **Salary** - a fixed periodical compensation for personal services. Examples: regular employee wages; a proprietor's regular draw from a business; distribution of partnership profits; and deferred salary
- **Bonus** - a premium or extra or irregular remuneration in consideration for services performed. Examples: cash; gift certificates; and company stock
- **Royalties** - payment for the use of intangible personal property such as a patent or copyright. Examples: book royalties; payment for the right to export mineral rights; and patent royalties
- **Commission** - a fee paid to an agent or employee for transacting a piece of business or performing a service, usually a percentage of money received from the total amount paid to the agent or employee responsible for the business. Examples: original and renewal compensation to an insurance agent and salesman's commission on a sales transaction
- **Profit Sharing** - a plan established and maintained by an employer to provide for participation in profits by employees and their beneficiaries. Example: an employee profit sharing plan
- **Fee** - a fixed charge, usually for a professional service. Examples: legal, medical or broker fees

- **Pensions** – a fixed sum paid regularly to a person (or to the person’s beneficiaries), usually by an employer as a retirement benefit. Examples: pension payments from a publicly held corporation, a public employee retirement system, or any other former employer whether public or non-public
- **Social Security** – benefits received under the Social Security Act. Examples: Social Security retirement, survivors and disability benefits

List the name, address and amount for each source of earned income in each category. For each entry check the box of the appropriate recipient of the income, i.e., self, spouse or minor child. A minor child is a child under the age of 18, whether or not residing in your household. If you are estranged from a minor child and do not have the requested information, note on the Financial Disclosure Statement that the requested information is not available. You may check more than one box if appropriate. If additional space is required, duplicate the form. NOTE: Your legislative salary need not be reported. Individual client fees, customer receipts or commissions on transactions received through one's employer or business do not have to be separately reported as sources of earned income.

**II. UNEARNED INCOME** generally means income derived from the sale, rental, growth or conversion of capital. There are three specific categories:

- **Rents** - payment for the use of real or tangible personal property. Examples: rental income from leasing an apartment, business, plane, boat, or automobile
- **Dividends** - the distribution of the earnings of a corporation to its shareholders. Examples: stock dividends (cash or stock), constructive dividends such as the personal use of corporate assets
- **Income from investments, trusts and estates** - income received from capital. Examples: capital gains received from the sale of real estate or a business; interest income; gains from the sale of stocks, bonds or other obligations; income from individual retirement accounts

List the name, address and amount for each source of unearned income in each category. For each entry check the box of the appropriate recipient of the income, i.e., self, spouse or minor child. You may check more than one box if appropriate. If additional space is required, duplicate the form. For **rents**, list the property address and tenant name. For **dividends** and **income from investments, trusts and estates**, list the names and addresses of the paying companies or individuals. Addresses need not be listed where the income source is a publicly traded security, just note that in the address space. Income means gross income received and not necessarily profit. Consequently, a beach front property rental income of \$10,000 should be reported as a source of income even if expenses for the property (mortgage, taxes and maintenance) were \$12,000. In noting the source of income for the sale of real property, the address of the property should be stated, and in the case of a business, the name and address of the business. A common error in completing this section is to check the amount code representing the entire value of an investment. The amount code checked should reflect the value of the dividends or income earned from an investment in the calendar year, not the entire value of the principal of the investment.

**III. HONORARIA and FEES** mean gratuitous or voluntary payments usually for speeches, personal appearances or writings (other than royalties). It does not include payments for travel, meals or lodging (see IV and V below). Example: sum received for a legal speech delivered to the bar association. If honoraria or fees from any source were received by you or your spouse, list the name and address of the payer, the amount and the occasion or nature of the fee or honorarium. For each entry check the box of the appropriate recipient.

**IV. REIMBURSEMENTS or PREPAID EXPENSES for TRAVEL, LODGING or SUBSISTENCE** mean the repayment or prepayment of amounts expended for travel, subsistence or facilities provided in kind and received by the member, spouse or minor child from sources other than the State. Examples: reimbursements paid to a member or prepayment of a member's expenses for air fare, meals and lodging to any conference, seminar or annual meeting of any association; Chamber of Commerce paying for a member's train trip and meal at the Congressional dinner. If you, your spouse or minor child received a reimbursement or prepaid expense, list the name and address of the payer, the amount, the occasion or nature of the reimbursement or prepaid expense and denote by circling P, N or G whether the payer was a profit (P), nonprofit (N) or governmental (G) entity. For each entry check the box of the appropriate recipient. In general, "profit" means a corporation, limited liability company, partnership, sole proprietorship or other entity organized for the purpose of making a profit. "Nonprofit" means an association, organization, corporation or other entity organized for a purpose other than making a profit. Entities organized for the following purposes are commonly nonprofits: charitable; benevolent; eleemosynary; educational; cemetery; civic; patriotic; political; religious; social; fraternal; literary; cultural; athletic; scientific; agricultural; horticultural; animal husbandry; volunteer fire company; ambulance, first aid or rescue; professional, commercial, industrial or trade association; and labor union and cooperative purposes. See, e.g., N.J.S. 15A:2-1. "Governmental" means a public entity of the governing body of any nation, state, or locality or any agency, authority, or subdivision thereof. Examples of governmental entities include: independent authorities, public school districts, and government agencies. Often, it can be difficult to know how an entity is organized. **If unsure whether an entity is profit, nonprofit or governmental, contact the entity to obtain a conclusive determination (preferably in writing) regarding its organizational structure.**

**V. GIFTS FROM NAMED DONORS CONNECTED TO THE LEGISLATIVE PROCESS** – Gifts mean voluntary transfers of property without compensation received by the member, spouse or minor child regardless of amount. Examples: payment for meals; cash awards (e.g., savings bonds); complimentary benefit tickets or complimentary tickets to political affairs from other than the sponsor of the event; and gifts of property. For each entry check the box of the appropriate recipient.

**VI. PERSONAL LIABILITIES** mean debts, including mortgages, due to others pursuant to express agreement. List the name and address of each creditor for you or your spouse, the nature of each liability and the amount. For each entry check the box of the appropriate recipient. The following liabilities **do not** have to be reported: (a) less than \$15,000 and owed to a **relative\***; (b) less than \$3,000 and owed to any other person; (c) loans secured by a personal motor vehicle or household furniture or appliances; or (d) revolving charge accounts. **\*Relative** means a son, daughter, grandson, granddaughter, father, mother, grandfather, grandmother, great-grandfather, great-grandmother, brother, sister, nephew, niece, uncle or aunt. Relatives by adoption, half-blood, marriage or remarriage shall be treated as relatives of the whole kinship.

**VII. FORGIVEN LIABILITIES** mean debts due to others pursuant to express agreement which were eliminated in whole or part without full payment. For each liability which would have had to be reported in **VI** above had it not been forgiven, list the name and address of each creditor who forgave a liability for you or your spouse, the nature of each forgiven liability and the amount of the forgiven liability. For each entry check the box of the appropriate recipient.

**VIII. BUSINESS ORGANIZATION** means any type of business entity, including a corporation, partnership, limited liability company, professional service corporation, or sole proprietorship, in which you or your spouse held ownership or control of more than 10% of the profits or assets. For each entry list the name and address of the business organization and check the box of the appropriate owner.

**IX. OFFICES, TRUSTEESHIPS, OR DIRECTORSHIPS** means any such titles, posts or positions, whether compensated or uncompensated, held by you or your spouse with any business organization as defined above, association, charity, union, political organization or other entity of any kind. For each entry list the position held, the name and address of the entity and check the box of the appropriate holder.

**X. REAL ESTATE** means all real property in New Jersey in which you, your spouse or minor child held ownership or control of more than 10% of the property, profits or assets. For each entry, list the property address, a brief description (such as primary residence, vacation home or vacant land), and check the box of the appropriate owner. You do not need to provide the address, description, county, or municipality of the principal or secondary residence of you, your spouse, or minor child, unless you, your spouse, or minor child derived income from that property. If you, your spouse, or minor child derived income from such a property, you should provide the address, description, county, and municipality for any such property.

**NOTE:** Disclosure Statements must have an original signature or a typed signature. You should review your federal and State income tax returns in conjunction with completing your financial disclosure statement to ensure that all sources of income noted on your tax returns have been included on your financial disclosure statement if appropriate.