

[First Reprint]

ASSEMBLY, No. 4002

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED MAY 4, 2020

Sponsored by:

Assemblyman RALPH R. CAPUTO

District 28 (Essex)

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

Assemblywoman CAROL A. MURPHY

District 7 (Burlington)

Senator VIN GOPAL

District 11 (Monmouth)

Senator PAUL A. SARLO

District 36 (Bergen and Passaic)

SYNOPSIS

Allows deduction of promotional gaming credit from gross revenue on sports wagering.

CURRENT VERSION OF TEXT

As amended by the Senate on June 3, 2021.



(Sponsorship Updated As Of: 6/3/2021)

1 AN ACT concerning promotional gaming credits for sports wagering
2 and supplementing P.L.2018, c.33 (C.5:12A-10 et seq.).

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. a. A casino or racetrack that holds a sports wagering license
8 shall receive an annual deduction from the gross revenue taxed
9 pursuant to section 7 of P.L.2018, c.33 (C.5:12A-16) in an amount
10 equal to the promotional gaming credits, whether or not such amounts
11 include a play-through requirement or other restriction, actually
12 wagered by patrons, that are reported by that licensee in its annual tax
13 return.

14 b. (1) A casino or racetrack that holds a sports wagering license
15 shall be allowed the deduction, pursuant to subsection a. of this
16 section, from gross revenues from Internet sports wagering for a tax
17 year for the total value of promotional gaming credits actually wagered
18 by patrons for that tax year in excess of \$12,000,000. For the first tax
19 year in which this act takes effect, the division shall reduce the
20 \$12,000,000 deduction threshold for that tax year in proportion to the
21 part of the tax year that has elapsed prior to the effective date of this
22 act.

23 (2) A casino or racetrack that holds a sports wagering license shall
24 be allowed the deduction, pursuant to subsection a. of this section,
25 from gross revenues from non-Internet sports wagering for a tax year
26 for the total value of promotional gaming credits actually wagered by
27 patrons at all licensed casinos and racetracks for that tax year in excess
28 of \$8,000,000. For the first tax year in which this act takes effect, the
29 division shall reduce the \$8,000,000 deduction threshold for that tax
30 year in proportion to the part of the tax year that has elapsed prior to
31 the effective date of this act.

32 c. (1) The division shall establish, by regulation, procedures to
33 ensure that the promotional gaming credit deduction established
34 pursuant to this section does not result in a negative fiscal impact to
35 the Casino Revenue Fund, or the General Fund as appropriate under
36 section 7 of P.L.2018, c.33 (C.5:12A-16). If necessary, the division
37 may reduce the value of the available deduction to eliminate any
38 negative fiscal impact to the Casino Revenue Fund, or the General
39 Fund as appropriate, attributable solely to the deduction and not to
40 other economic or other factors that cause a negative fiscal impact to
41 the Casino Revenue Fund, or the General Fund as appropriate.

42 (2) For the purposes of this subsection, "negative fiscal impact to
43 the Casino Revenue Fund or the General Fund" shall mean that the
44 amount generated from taxation of promotional gaming credits falls
45 below the level generated in calendar year 2017.

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate floor amendments adopted June 3, 2021.

1 ¹d. No deduction shall be allowed pursuant to this section for any
2 promotional gaming credits included in the calculation of any other
3 deduction for promotional gaming credits, including, but not limited
4 to, the deduction allowed pursuant to section 2 of P.L.2008, c.12
5 (C.5:12-144.2).¹

6

7 2. This act shall take effect immediately.