

[Second 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**

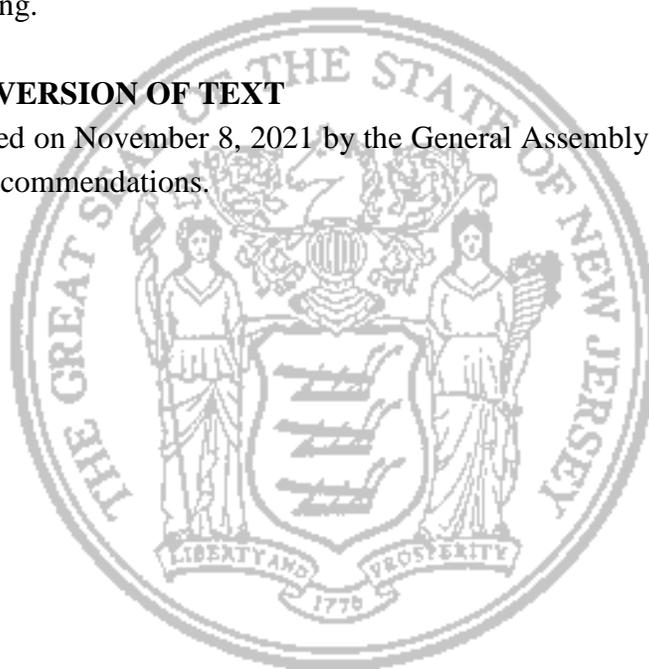
**District 36 (Bergen and Passaic)**

**SYNOPSIS**

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

**CURRENT VERSION OF TEXT**

As amended on November 8, 2021 by the General Assembly pursuant to the Governor's recommendations.



**(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 <sup>2</sup>~~from non-~~  
9 Internet sports wagering<sup>2</sup> taxed pursuant to section 7 of P.L.2018, c.33  
10 (C.5:12A-16) in an amount equal to the promotional gaming credits<sup>2</sup>**],**  
11 whether or not such amounts include a play-through requirement or  
12 other restriction,**]**<sup>2</sup> actually wagered by patrons, that are reported by  
13 that licensee in its annual tax return.

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

<sup>1</sup>Senate floor amendments adopted June 3, 2021.

<sup>2</sup>Assembly amendments adopted in accordance with Governor's recommendations November 8, 2021.

1       <sup>1</sup>d. 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).<sup>1</sup>

6       <sup>2</sup>e. As used in this section, ‘promotional gaming credit’ means a  
7 sports wagering credit or other item approved by the division that is  
8 issued by a casino or racetrack that holds a sports wagering license  
9 to a patron for the purpose of enabling the placement of a wager in  
10 a sports pool in the licensee’s casino or racetrack. No such credit  
11 shall be reported as a promotional gaming credit unless the licensee  
12 can establish that the credit was issued by the licensee and received  
13 from a patron as a wager in a sports pool in the licensee’s casino or  
14 racetrack.<sup>2</sup>

15  
16       2. This act shall take effect immediately.