

CHAPTER 314

AN ACT concerning temporary modifications to the taxes and credits of casino licensees, permanent modifications to the types of promotional gaming credits, and priority funding for certain programs funded from the Casino Revenue Fund, and amending P.L.2008, c.12 and P.L.1983, c.578.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

1. a. Notwithstanding the provisions of the “Casino Control Act,” P.L.1977, c.110 (C.5:12-1 et seq.), or any law, rule, or regulation to the contrary, the Division of Gaming Enforcement shall calculate the adjusted taxable revenue for each casino licensee for the 12-month period beginning January 1, 2021 and ending December 31, 2021. Adjusted taxable revenue shall be determined by subtracting the amount of promotional gaming credits eligible for a deduction pursuant to section 2 of P.L.2008, c.12 (C.5:12-144.2) from the actual gross revenue of each casino licensee over that 12-month period. The division shall then apply the tax rates set forth in subsection b. of this section to the adjusted taxable revenue of each casino licensee, and the division shall also apply an 8 percent tax rate to the taxable gross revenue of each casino licensee. Each casino licensee shall be allowed a credit against the tax imposed under section 144 of P.L.1977, c.110 (C.5:12-144) for the 12-month period following the effective date of this act in an amount representing the difference between the amount calculated by applying an 8 percent tax rate to the adjusted taxable gross revenue of each casino licensee and the amount calculated by applying the tax rates set forth in subsection b. of this section to the adjusted taxable revenue of each casino licensee. This credit shall be allowed in monthly installments in one-twelfth increments.

b. The Division of Gaming Enforcement shall calculate the casino win of each casino licensee for the four-month period beginning January 1, 2021 and ending April 30, 2021 as a percentage of the casino win of each casino gaming property for the four-month period comprised of January 2020, February 2020, March 2019, and April 2019. For the purposes of the calculation performed pursuant to subsection a. of this section, the rate applicable to a casino licensee shall be as follows:

(1) for each casino licensee for which casino win for the four-month period beginning January 1, 2021 and ending April 30, 2021 are at least 50 percent and less than 75 percent of the casino win for the four-month period comprised of January 2020, February 2020, March 2019, and April 2019, the tax rate used for the calculation performed pursuant to subsection a. of this section shall be 6.8 percent; and

(2) for each casino licensee for which casino win for the four-month period beginning January 1, 2021 and ending April 30, 2021 are at least 75 percent and less than 100 percent of the casino win for the four-month period comprised of January 2020, February 2020, March 2019, and April 2019, the tax rate used for the calculation performed pursuant to subsection a. of this section shall be 7.4 percent.

c. A casino licensee for which casino win for the four-month period beginning January 1, 2021 and ending April 30, 2021 are 100 percent or more of the casino win for the four-month period comprised of January 2020, February 2020, March 2019, and April 2019 shall be allowed a credit against the tax imposed under section 144 of P.L.1977, c.110 (C.5:12-144) for the 12-month period following the effective date of this act in an amount that is 90 percent of the lowest credit dollar amount allowed to a casino pursuant to the calculation performed under subsection a. of this section. This credit shall be allowed in monthly installments in one-twelfth increments.

d. Each casino licensee allowed a credit under this section shall submit to the State Treasurer and the Division of Gaming Enforcement, at the same time that the credit is claimed,

a report documenting that an amount equal to the entire dollar amount allowed as a credit under this act is being expended by the licensee for any of the following purposes:

(1) the prompt re-hiring and employment of the casino licensee's former employees and new applicants, which shall include a certification by each casino licensee that the licensee has made a good faith effort to rehire former and new employees commensurate with an increase in business activity;

(2) attracting tourists, gaming, and hospitality patrons to visit and stay at the casino hotel property;

(3) marketing and promotion for events that would draw visitors to the property or Atlantic City, such as entertainment and conventions; and

(4) any other activity deemed by the State Treasurer or the division to be beneficial to the return of pre-emergency economic, gaming, and tourism levels to Atlantic City.

A casino licensee's failure to submit the report required under this subsection shall deem the licensee ineligible to receive the credit under this act for each month.

2. Section 1 of P.L.2008, c.12 (C.5:12-38a) is amended to read as follows:

C.5:12-38a "Promotional gaming credit."

1. "Promotional gaming credit" - A slot machine credit, sports wagering credit, match play coupon, table game wager coupon, or other item approved by the division that is issued by a licensee to a patron for the purpose of enabling the placement of a wager at a slot machine, a gaming table, or in a sports pool in the licensee's casino or through the licensee's Internet gaming system. No such credit shall be reported as a promotional gaming credit unless the casino licensee can establish that the credit was issued by the casino licensee and received from a patron as a wager at a slot machine, a gaming table, or in a sports pool in the licensee's casino or Internet gaming system.

3. Notwithstanding the provisions of section 2 of P.L.2008, c.12 (C.5:12-144.2), and any other law, rule, or regulation to the contrary, a casino licensee shall be entitled during the 24-month period commencing on the first day of the calendar month following the effective date of this act, P.L.2021, c.314, and ending on the last day of the 24th month thereafter to receive a monthly deduction from the gross revenue taxed pursuant to subsection a. of section 144 of P.L.1977, c.110 (C.5:12-144) in an amount equal to the full amount of promotional gaming credits, including match play coupons and table game wager coupons, reported each month by that licensee. The \$90,000,000 threshold specified under section 2 of P.L.2008, c.12 (C.5:12-144.2) shall not apply during the 24-month period specified under this section.

4. No casino operator shall use funds or savings resulting from P.L.2021, c.314 to repurchase stock or stock options, issue a dividend, or provide for bonuses for any officer or executive employee.

5. Nothing in this act, P.L.2021, c.314 shall affect the tax liabilities imposed on any amount received by a casino from casino simulcasting pursuant to the "Casino Simulcasting Act," P.L.1992, c.19 (C.5:12-191 et al.), from Internet gaming pursuant to section 17 of P.L.2013, c.27 (C.5:12-95.19), or from sports wagering pursuant to P.L.2018, c.33 (C.5:12A-10 et al.).

6. Section 4 of P.L.1983, c.578 (C.27:25-28) is amended to read as follows:

C.27:25-28 “The Senior Citizen and Disabled Resident Transportation Assistance Program”; purposes.

4. a. The board shall establish and administer a program to be known as “The Senior Citizen and Disabled Resident Transportation Assistance Program” for the following purposes:

(1) To assist counties to develop and provide accessible feeder transportation service to accessible fixed-route transportation services where such services are available, and accessible local transit service to senior citizens and the disabled, which may include but not be limited to door-to-door service, fixed route service, local fare subsidy, and user-side subsidy, which may include but not be limited to private ride or taxi fare subsidy; and to coordinate the activities of the various participants in this program in providing the services to be rendered at the county level and between counties; and

(2) To enable the corporation to develop, provide and maintain capital improvements that afford accessibility to fixed route and other transit services in order to make rail cars, rail stations, bus shelters and other bus equipment accessible to senior citizens and the disabled; to render technical information and assistance to counties eligible for assistance under this act; and to coordinate the program within and among counties.

b. In the State fiscal year beginning July 1 following the effective date of P.L.2009, c.261 and in each fiscal year thereafter, there shall be appropriated to the corporation from the revenues deposited in the Casino Revenue Fund established pursuant to section 145 of P.L.1977, c.110 (C.5:12-145) a sum equal to 8.5 percent of the revenues deposited in the fund during the preceding fiscal year, as determined by the State Treasurer, to effectuate the purposes and provisions of P.L.1983, c.578 (C.27:25-25 et seq.).

Notwithstanding the provisions of any other law, rule, or regulation to the contrary, for the State Fiscal Years 2022, 2023, and 2024, appropriations to the corporation from the revenues deposited in the Casino Revenue Fund or the Property Tax Relief Fund, as appropriate, shall be given priority to ensure that the corporation receives an amount equal to 8.5 percent of the sum of the revenues deposited in the Casino Revenue Fund during the preceding fiscal year, adding back any reductions in revenues during the preceding fiscal year that directly resulted from the temporary credit allowable under section 1 of P.L.2021, c.314 or the temporary deduction allowable under section 3 of the P.L.2021, c.314, as determined by the State Treasurer, to effectuate the purposes and provisions of P.L.1983, c.578 (C.27:25-25 et seq.).

7. This act shall take effect immediately.

Approved December 21, 2021.