

P.L. 2021, CHAPTER 450, *approved January 18, 2022*
Assembly, No. 4002 (*Second Reprint*)

1 AN ACT concerning promotional gaming credits for sports wagering
2 and supplementing P.L.2018, c.33 (C.5:12A-10 et seq.).
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4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:
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7 1. a. A casino or racetrack that holds a sports wagering license
8 shall receive an annual deduction from the gross revenue ²~~from non-~~
9 Internet sports wagering² taxed pursuant to section 7 of P.L.2018, c.33
10 (C.5:12A-16) in an amount equal to the promotional gaming credits² **],**
11 whether or not such amounts include a play-through requirement or
12 other restriction,² actually wagered by patrons, that are reported by
13 that licensee in its annual tax return.

14 b. ²**[(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**(2)]** 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.

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.

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

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

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

10 ²e. As used in this section, 'promotional gaming credit' means a
11 sports wagering credit or other item approved by the division that is
12 issued by a casino or racetrack that holds a sports wagering license
13 to a patron for the purpose of enabling the placement of a wager in
14 a sports pool in the licensee's casino or racetrack. No such credit
15 shall be reported as a promotional gaming credit unless the licensee
16 can establish that the credit was issued by the licensee and received
17 from a patron as a wager in a sports pool in the licensee's casino or
18 racetrack.²

19
20 2. This act shall take effect immediately.
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Allows deduction of promotional gaming credit from gross
26 revenue on sports wagering.