

RESOLUTION # 7
EQUINE INDUSTRY

1 **WHEREAS**, Rutgers University’s Equine Science Center estimates that two-
2 thirds of all horses in New Jersey are used for competitive/sport and recreation not
3 directly connected to the horseracing industry; and

4 **WHEREAS**, New Jersey’s horse industry also helps sustain multiple supporting
5 economic sectors, such as hay and grain producers, equine-equipment dealers,
6 veterinarians, blacksmiths and others related the horse industry; and

7 **WHEREAS**, New Jersey is surrounded by states that also have significant
8 pleasure-horse sectors not directly tied to the horseracing industry; and

9 **WHEREAS**, New Jersey’s equine sector would be better positioned to compete
10 with similar businesses in surrounding states if New Jersey adopted certain policies and
11 laws aimed at improving that competitive position; and

12 **WHEREAS**, according to a 2007 study by the Rutgers Equine Science Center,
13 the horse industry contributes approximately \$1 billion annually to New Jersey’s
14 economy; and

15 **WHEREAS**, horse boarding operators should not be subject to Sales and Use
16 taxes, as their operations contribute to a continuation of open space, which enhances
17 the overall quality of life for New Jersey residents; and

18 **WHEREAS**, the New Jersey Legislature in March 2000, created a Sales and Use
19 Tax Review Commission to evaluate and report on proposed legislation that either
20 expands or contracts the base of the Sales and Use Tax Law; and

21 **WHEREAS**, bills have been introduced in both the State Senate and Assembly
22 (S2701 and A4241) to remove from those items subject to the Sales and Use Tax the
23 lease or rental of a stall in a barn, stable, or other similar structure or facility for the

24 boarding or stabling or for the keeping or holding of a horse, pony, mule, donkey, or
25 hinny; and

26 **WHEREAS**, according to a 2014 study by the Rutgers Equine Science Center
27 into the comparative health of New Jersey’s horseracing sector, the inclusion of
28 additional betting options at racetracks in Pennsylvania and New York, and the lack of
29 such options in New Jersey, has placed New Jersey’s horseracing industry at a
30 competitive disadvantage, leading to a loss of breeders and a reduction in racing days
31 that could, over the long-term, lead to a reduction in equine support services and
32 industries in the state, which also would affect the pleasure-horse industry; and

33 **WHEREAS**, the New Jersey Equine Advisory Board, with its panel of 48
34 members, representing 16 breed groups and additional agricultural organizations, has as
35 one of its main functions the charge to recommend horse breeding and development
36 programs to the State Board of Agriculture.

37 **NOW, THEREFORE, BE IT RESOLVED**, that we, the delegates to the 102nd
38 State Agricultural Convention, assembled in Atlantic City, New Jersey, on February 8-9,
39 2017, direct the Department and the Equine Advisory Board to continue pursuing
40 alternative funding options to support the Board’s mission to promote the New Jersey
41 equine industry and to support youth educational programs and equine research at the
42 Rutgers Equine Science Center.

43 **BE IT FURTHER RESOLVED**, that we urge the Legislature to pass and the
44 Governor to sign legislation to exempt from the state sales tax pursuant to the “Sales
45 and Use Tax Act” the activities of storing a horse, pony, mule, donkey or hinny in a barn,
46 stable or other similar structure or facility by a person engaged in the business of
47 boarding, stabling or otherwise keeping or holding horses, ponies, mules, donkeys or
48 hinnies.

49 **BE IT FURTHER RESOLVED**, that we strongly urge the New Jersey Sales and
50 Use Tax Review Commission to evaluate and report favorably on proposed legislation
51 that contracts the base of the Sales and Use Tax Law by excluding the horse-related
52 activities enumerated in S2701 and A4241.

53 **BE IT FURTHER RESOLVED**, that we support legislation to exempt from the
54 sales tax pursuant to the "Sales and Use Tax Act" the activities of maintaining or
55 servicing a horse, pony, mule, donkey or hinny that is boarded or stabled or that is kept
56 or held in a barn, stable or other similar structure or facility by a person engaged in the
57 business of boarding or stabling or otherwise keeping or holding horses, ponies, mules,
58 donkeys, or hinnies.

59 **BE IT FURTHER RESOLVED**, that we urge the Department to pursue all
60 avenues to improve the marketing and enhancement of breeder programs and events in
61 New Jersey.