



New Jersey Division of Gaming Enforcement
Atlantic City Gaming Industry
Summary of Gaming and Atlantic City Taxes and Fees

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Report date November 28, 2023

Gaming and Atlantic City Specific Taxes and Fees
Year-to-Date 2023
(\$ in Thousands)

	Gaming/Casino Specific Taxes and Fees														Atlantic City Taxes and Fees		
Current Year	8% Gross Revenue Tax	15% Internet Gross Revenue Tax	8.5% Retail Sports Tax (a)	13% Internet Sports Tax (a)	CRDA Obligations (b)	1.25% Add'l Tax (b)	1.25% EDT (b)	Parking Fees	Hotel Room Fees (b)	Hotel Room Surcharge (c)	Progressive Slot Tax	Expired Vouchers	Unclaimed Sports Tickets	Dormant Accounts	Luxury Tax	Tourism Promo Fee	Total
January	13,038	22,920	259	9,182				1,367		572	148	44	124	289	2,314	605	50,862
February	14,315	21,422	114	7,012				1,377		576	151	45	72	503	2,949	603	49,139
March	14,455	24,918	362	11,546				1,501		636	147	50	73	560	3,391	668	58,307
1st Quarter	41,808	69,260	735	27,740	19,739	1,132	1,657	4,245	2,677	1,784	446	139	269	1,352	8,654	1,876	183,513
April	14,625	23,736	231	8,980				1,495		649	148	55	65	349	2,933	679	53,945
May	14,118	24,234	319	10,147				1,494		662	143	55	42	255	3,555	691	55,715
June	15,117	22,369	228	8,152				1,609		763	152	51	51	221	4,626	802	54,141
2nd Quarter	43,860	70,339	778	27,279	20,479	1,255	1,504	4,598	3,111	2,074	443	161	158	825	11,114	2,172	190,150
July	18,253	23,215	217	7,486				1,916		867	196	71	36	226	5,962	915	59,360
August	17,804	23,236	204	12,142				1,831		872	198	73	34	254	5,450	921	63,019
September	15,307	24,547	342	13,918				1,432		679	176	59	70	210	4,312	723	61,775
3rd Quarter	51,364	70,998	763	33,546	22,043	2,131	1,223	5,179	3,625	2,418	570	203	140	690	15,724	2,559	213,176
October																	-
November																	-
December																	-
4th Quarter	-	-	-	-				-		-	-	-	-	-	-	-	-
YTD Total	137,032	210,597	2,276	88,565	62,261	4,518	4,384	14,022	9,413	6,276	1,459	503	567	2,867	35,492	6,607	586,839

NOTE: Amounts unaudited and subject to change.

(a) Sports Wagering Gross Revenue Tax includes the 8.5% and 13% taxes on Casino licensees and Racetrack Licensees.
(b) Hotel Room Fees, CRDA Obligations, 1.25% Additional Tax, 1.25% EDT are paid quarterly.
(c) Casino Hotel Room Surcharge, effective March 1, 2022 is a \$2 fee per occupied room utilized for public safety services in Atlantic City.

Gaming and Atlantic City Specific Taxes and Fees
From Inception of Casino Gaming in 1978 through 2022
(\$ in Thousands)

	Casino Specific Taxes and Fees																Atlantic City Taxes and Fees		
Calendar Year	8% Gross Revenue Tax	15% Internet Gross Revenue Tax	8.5% Retail Sports Tax	13 % Internet Sports Tax	CRDA Obligations	1.25% Add'l Tax	1.25% EDT	Parking Fees	Hotel Room Fees	Hotel Room Surcharge	Progressive Slot Tax	Comp Tax	Net Income Tax	Expired Vouchers	Unclaimed Sport Tickets	Dormant Accounts	Luxury Tax	Tourism Promo Fee	Total
1978-1999	4,420,538				733,780			98,357									280,864	53,826	5,587,365
2000	342,022				53,754			14,935									17,589	8,303	436,603
2001	342,336				53,787			15,146									16,546	8,337	436,152
2002	348,731				54,768			15,668									18,883	8,576	446,626
2003	358,459				56,009			24,508	7,036		3,028	13,257	10,878				18,189	9,363	500,727
2004	384,579				60,091			33,394	14,229		5,836	26,334	25,363				21,322	9,900	581,048
2005	401,462				62,728			35,104	14,856		6,121	27,145	21,756				26,247	10,556	605,975
2006	417,528				65,239			37,087	14,969		5,415	22,396	9,737				27,282	10,368	610,021
2007	393,707				61,517			35,860	14,541		4,346	15,415					27,977	10,257	563,620
2008	360,250				56,819			34,398	15,171		4,145	9,429					27,608	10,460	518,280
2009	295,309				49,289			31,477	15,228		3,487	3,024		3,007			26,374	10,697	437,892
2010	260,940				44,565			29,816	15,382		3,326			4,397			28,479	9,940	396,845
2011	236,129				41,474			28,427	15,446		3,145			507			31,515	10,573	367,216
2012	216,725				38,114			28,782	15,618		2,932			577			35,486	10,794	349,028
2013	203,965	1,256			35,953			27,907	15,638		3,098			554			35,519	10,822	334,712
2014	186,910	18,465			35,783			24,622	14,039		2,951			506			34,751	9,818	327,845
2015	174,670	22,354			33,905			21,207	11,856		2,106			430			30,006	8,296	304,830
2016	175,719	29,528			34,988			20,405	11,511		2,252			359			29,204	8,248	312,214
2017	174,743	36,903			36,315			19,807	10,807		1,951			355		697	28,101	7,126	316,805
2018	181,228	44,862	3,836	6,985	38,856	627	550	21,961	11,777		1,934			354		356	37,217	8,664	359,207
2019	191,422	72,474	4,695	31,826	45,661	1,543	2,201	23,108	12,683		1,713			454	777	562	40,946	9,341	439,406
2020	106,957	145,747	3,225	46,801	43,198	2,075	2,906	12,319	6,869		1,027			577	1,238	573	18,278	4,979	396,769
2021	177,794	205,241	6,459	96,199	66,153	3,812	6,380	18,856	10,723		2,033			467	790	1,453	35,381	7,462	639,203
2022	179,141	249,400	3,975	93,904	76,387	3,694	5,871	18,384	11,764	6,854	1,921			647	1,227	2,275	42,689	8,701	706,834
Total	10,531,264	826,230	22,190	275,715	1,879,133	11,751	17,908	671,535	260,143	6,854	62,767	117,000	67,734	13,191	4,032	5,916	936,453	265,407	15,975,223

NOTE: Certain amounts unaudited and subject to change.

The notes on the following page are integral to understanding the financial information contained in the table. The notes provide a description and source of the data.

New Jersey Division of Gaming Enforcement
Gaming Industry
Gaming and Atlantic City Taxes and Fees

This report identifies the state-imposed taxes and fees specific to Atlantic City casinos and Atlantic City-based businesses. This report excludes taxes and fees imposed on New Jersey businesses state-wide (i.e., payroll taxes, income taxes, state occupancy fee, sales and use tax, etc.) and non-state level taxes (i.e., property taxes, federal taxes, etc.).

Description of Tax and Fee:

Gross Revenue Tax: 8% tax on Casino Gross Revenue, which is deposited into the Casino Revenue Fund. Beginning August 14, 2008, casinos were permitted to take a deduction for Eligible Promotional Gaming Credits for purposes of calculating Taxable Casino Gross Revenue. In addition, the casino industry is allowed a one-year \$18 million gross revenue tax "credit" to the 8% GRT beginning March 2022 through February 2023 in equal monthly "credits" to the listed months 8% tax obligation.

Internet Gross Revenue Tax: 15% tax on Internet Gross Revenue, which is deposited into the Casino Revenue Fund (commenced November 2013).

Sports Wagering: On June 14, 2018, Sports Wagering became legal in New Jersey at casinos and racetracks. On-line sports wagering commenced in July 2018. The Sports Wagering Gross Revenue Tax is 8.5% for on-site wagering and 13% for online (Internet) wagering.

CRDA Obligations: 1.25% of Casino Gross Revenue and 2.5% of Internet Gross Revenue to the Casino Reinvestment Development Authority (CRDA).

1.25% Additional Tax: Commencing June 27, 2018, Casino Licensees Sports Wagering Gross Revenue (Retail and On-line) are subject to a 1.25% Additional Tax. The 1.25% Additional Tax is utilized by the CRDA for marketing and promotion of the City of Atlantic City.

1.25% Economic Development Tax ("EDT"): Commencing June 27, 2018, Racetrack Licensees Sports Wagering Gross Revenue (Retail and On-line) are subject to a 1.25% Economic Development Tax. The 1.25% EDT is utilized for economic development in the municipality/county in which the Racetrack Licensee resides.

Parking Fees: From July 1993 to June 2003, casinos collected a \$2.00 fee for each parked vehicle, of which, \$1.50 was distributed to the CRDA and \$0.50 was retained by the casino licensee. From July 2003 to June 2006, casinos collected a \$3.00 fee, of which, \$1.50 was deposited into the Casino Revenue Fund and \$1.50 was distributed to CRDA. Effective July 2006, \$0.50 of each \$3.00 Parking Fee is deposited into the Casino Revenue Fund and \$2.50 is distributed to CRDA.

Hotel Room Fee: From July 2003 to June 2004, casinos collected a \$3.00 fee for each occupied hotel room night, which was deposited into the Casino Revenue Fund. In 2004, \$93 million in CRDA Hotel Room Fee Revenue Bonds were issued. Effective July 1, 2006, following the satisfaction of debt service on those bonds, \$2.00 of each \$3.00 Hotel Room Fee was deposited into the Casino Revenue Fund and \$1.00 is distributed to CRDA. The Hotel Room Fee is paid quarterly.

Tax on Multi-Casino Progressive Slot Machine Revenue (Progressive Slot Tax): Effective July 1, 2003, slot machine companies (not casinos) that operate multi-casino progressive slot systems pay an 8% tax on revenues derived from operating progressive slot machine systems in Atlantic City. The Progressive Slot Tax is deposited into the Casino Revenue Fund.

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Gaming and Atlantic City Taxes and Fees

Tax on Casino Complimentaries (Comp Tax): Effective July 1, 2003, the Comp Tax raised a fixed \$26 million for state fiscal years 2004 through 2006, \$19.5 million for state fiscal year 2007, \$13 million for state fiscal year 2008, and \$6.5 million for state fiscal year 2009, at which point the tax expired. Any overpayments in a state fiscal year were credited in the subsequent fiscal year. The tax raised \$117 million in total between calendar 2003 and 2009. The Comp Tax proceeds were deposited into the Casino Revenue Fund.

Net Income Tax: For state fiscal years 2004 through 2006, casinos were required to pay a 7.5% tax on net income plus management fees based on calendar 2002 operating results. The maximum amount paid by casinos under common ownership was \$10 million. The tax expired at the end of FY 2006. Net Income Tax proceeds were deposited into the Casino Revenue Fund.

Expired Gaming-Related Obligations (Expired Vouchers): Effective April 8, 2009, 25% of expired slot machine vouchers are deposited into the Casino Revenue Fund. For the years prior to the effective date, Casino Licensees were billed during 2009 and 2010 for 50% of expired vouchers.

Unclaimed Sports Wagering Tickets: 50% of unclaimed sports wagering tickets of casino licensees are deposited into the Casino Revenue Fund. 50% of unclaimed sports wagering tickets of racetrack licensees are deposited into the State's General Fund.

Dormant Accounts: Beginning in FY2017, 50% of Internet casino gaming accounts that are dormant for at least one year are remitted to the State of New Jersey.

Luxury Tax: The Luxury Tax applies to receipts from specified retail sales within Atlantic City, including alcoholic beverages, hotel room rentals, and cover charges for entertainment. The tax rate is 3% on alcoholic beverages sold by the drink and 9% on other taxable sales (subject to a 13% maximum rate when combined with the NJ Sales and Use Tax). Proceeds from the Luxury Tax support debt service on Luxury Tax bonds and the operation of the AC Convention Center and Boardwalk Hall.

Tourism Promotion Fee: \$2 fee per occupied room per night that is paid by casino hotel guests; \$1 fee per occupied room per night that is paid by non-casino hotel guests. The Tourism Promotion Fee supports the operation of the Atlantic City Convention and Visitors Association (now under CRDA).

Hotel Room Surcharge: Effective March 1, 2022, a \$2 fee per occupied casino hotel room utilized to fund public safety services in Atlantic City.

SOURCES:

Gross Revenue Tax, CRDA Obligations, Internet Gross Revenue Tax, 1.25% Taxes and Expired Vouchers: NJ Division of Gaming Enforcement

Parking Fee: NJ Casino Control Commission (CCC)

Progressive Slot Tax and Hotel Room Fee: NJ Division of Taxation

Luxury Tax and Tourism Promotion Fee: NJ Office of Management and Budget, Legislative Manual