

NEW JERSEY DIVISION OF TAXATION

TECHNICAL BULLETIN

TB-22R

ISSUED: 11/07/07

TOPIC: ATLANTIC CITY CASINO PARKING FACILITY FEE

Pursuant to P.L. 1993, c. 159, as amended by P.L. 2003, c.116, and P.L. 2004, c. 128, casino parking facilities in Atlantic City are required to impose a minimum charge for a parking space used for parking, garaging or storing a motor vehicle in a parking facility or property owned or leased by a casino hotel or by any person on behalf of a casino hotel licensed under the “Casino Control Act” (P.L. 1977, c. 110). Any amount over and above the required minimum parking fee is retained by the casino.

Casino parking facilities are required to charge a minimum of \$3.00 a day for use of a parking space. The fee is due only once per day per vehicle. When proof of payment can be established, an additional fee will not be due again on the same calendar day, for use of a parking space in the same or other casino hotel parking facility or property. The \$3.00 per day parking fee is not due on parking spaces for motor vehicles owned or leased by the owner or operator of the property or parking facility or by employees of the casino hotel. The minimum parking fee is remitted to the Casino Control Commission, which was transferred administration of the fee effective August 30, 2004.

The first \$1.50 of the fee collected is placed in a special fund held by the State Treasurer. The funds are available to the Casino Reinvestment Development Authority established pursuant to section 5 of P.L. 1984, c.218. The remaining \$1.50 of the fee is deposited into the Casino Revenue Fund established pursuant to section 145 of P.L.1977, c.110 in the fiscal years 2004 through 2006. Beginning in the State fiscal year 2007 and thereafter, the remaining \$1.50 of the fee will be deposited as follows: \$0.50 into the Casino Revenue Fund and \$1.00 to the Casino Reinvestment Development Authority for its purposes pursuant to law.

As of October 1, 2006, the Sales and Use Tax Act imposed tax on charges for parking, storing or garaging a motor vehicle. N.J.S.A. 54:32B-3(i). Between October 1, 2006, and June 30, 2007, the 7% sales tax applied to the Atlantic City Casino Parking Facility Fee, including any charges over and above the minimum charge. The sales tax must be reported and remitted on the casino hotel’s sales and use tax returns. The New Jersey sales tax is not imposed on parking for employees of the casino hotel, if the parking is provided by the casino hotel or at a facility owned or operated by the casino.

NOTE: Effective July 1, 2007, the law was amended to **exclude** the \$3 minimum fee from the receipt subject to tax, as well as the parking charges or fees imposed pursuant to an agreement between the Casino Reinvestment Development Authority (CRDA) and a casino operator which

was in effect as of June 28, 2007. Any amount collected for parking, storing or garaging a motor vehicle over and above these fees remains subject to sales tax.

*Issued by:
Regulatory Services Branch
NJ Division of Taxation*