



New Jersey Division of Gaming Enforcement **Atlantic City Gaming Industry** **Casino Revenue Fund Taxes and Fees** **Source Report**

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New Jersey Division of Gaming Enforcement
Atlantic City Gaming Industry
Casino Revenue Fund Taxes and Fees
(for Fiscal Year 2012)

(a)
GROSS REVENUE TAX

| <u>Month</u> | |
|---------------|----------------------|
| 2011 July | 23,856,740 |
| August | 19,565,714 |
| September | 20,534,116 |
| October | 16,907,750 |
| November | 16,932,926 |
| December | 16,985,888 |
| 2012 January | 0 |
| February | 0 |
| March | 0 |
| April | 0 |
| May | 0 |
| June | 0 |
| Totals | \$114,783,134 |

(b)
PARKING FEE

| <u>Month</u> | |
|---------------|--------------------|
| 2011 July | 518,879 |
| August | 423,403 |
| September | 396,040 |
| October | 367,589 |
| November | 357,862 |
| December | 0 |
| 2012 January | 0 |
| February | 0 |
| March | 0 |
| April | 0 |
| May | 0 |
| June | 0 |
| Totals | \$2,063,773 |

(c)
HOTEL ROOM FEE

| | |
|----------------------|--------------------|
| 2011 Quarters | |
| 3rd | 4,198,005 |
| 4th | 0 |
| 2012 Quarters | |
| 1st | \$0 |
| 2nd | 0 |
| Totals | \$4,198,005 |
| <u>Less:</u> | |
| Pro-rata | |
| CRDA Debt | |
| Service | (\$1,326,928) |
| Net Totals | \$2,871,077 |

(d)
PROGRESSIVE SLOT TAX

| <u>Month</u> | |
|---------------|------------------|
| 2011 July | 210,634 |
| August | 238,986 |
| September | 293,840 |
| October | 160,240 |
| November | 0 |
| December | 0 |
| 2012 January | 0 |
| February | 0 |
| March | 0 |
| April | 0 |
| May | 0 |
| June | 0 |
| Totals | \$903,700 |

(e)
EXPIRED GAMING OBLIGATIONS

| <u>Month</u> | |
|---------------|------------------|
| 2011 July | 56,162 |
| August | 55,854 |
| September | 42,558 |
| October | 44,964 |
| November | 38,630 |
| December | 0 |
| 2012 January | 0 |
| February | 0 |
| March | 0 |
| April | 0 |
| May | 0 |
| June | 0 |
| Totals | \$238,168 |

(f)
FINES

| <u>Month</u> | |
|---------------|------------|
| 2011 July | 0 |
| August | 0 |
| September | 0 |
| October | 0 |
| November | 0 |
| December | 0 |
| 2012 January | 0 |
| February | 0 |
| March | 0 |
| April | 0 |
| May | 0 |
| June | 0 |
| Totals | \$0 |

(g)
FORFEITED WINNINGS

| <u>Month</u> | |
|---------------|----------------|
| 2011 July | 3,781 |
| August | 1,311 |
| September | 0 |
| October | 455 |
| November | 0 |
| December | 0 |
| 2012 January | 0 |
| February | 0 |
| March | 0 |
| April | 0 |
| May | 0 |
| June | 0 |
| Totals | \$5,547 |

*Monthly figures presented do not include interest income nor audit adjustments and reflect information received as of the date on cover

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(\$ in Thousands)

| | (a) Gross Revenue Tax | (b) Parking Fee | (c) Hotel Room Fee | (d) Progressive Slot Tax | (e) Expired Gaming Obligations | (f) Fines | (g) Forfeited Winnings | (h) Comp Tax | (i) Net Income Tax | Total |
|----------------|---|-------------------------------|--------------------------------------|--|--|---------------------|--------------------------------------|----------------------------|--------------------------------------|--------------|
| FY 1978 | 1,513 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,513 |
| FY 1979 | 18,272 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 18,272 |
| FY 1980 | 58,087 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 58,087 |
| FY 1981 | 72,088 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 72,088 |
| FY 1982 | 102,875 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 102,875 |
| FY 1983 | 127,977 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 127,977 |
| FY 1984 | 148,501 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 148,501 |
| FY 1985 | 160,230 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 160,230 |
| FY 1986 | 176,707 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 176,707 |
| FY 1987 | 188,996 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 188,996 |
| FY 1988 | 208,390 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 208,390 |
| FY 1989 | 221,891 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 221,891 |
| FY 1990 | 227,947 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 227,947 |
| FY 1991 | 232,015 | 0 | 0 | 0 | 0 | 544 | 0 | 0 | 0 | 232,559 |
| FY 1992 | 248,690 | 0 | 0 | 0 | 0 | 1,356 | 0 | 0 | 0 | 250,046 |
| FY 1993 | 258,159 | 0 | 0 | 0 | 0 | 85 | 0 | 0 | 0 | 258,244 |
| FY 1994 | 262,904 | 0 | 0 | 0 | 0 | 346 | 0 | 0 | 0 | 263,250 |
| FY 1995 | 288,848 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 288,848 |
| FY 1996 | 303,300 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 303,300 |
| FY 1997 | 308,277 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 308,277 |
| FY 1998 | 312,734 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 312,734 |
| FY 1999 | 324,617 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 324,617 |
| FY 2000 | 338,587 | 0 | 0 | 0 | 0 | 153 | 0 | 0 | 0 | 338,740 |
| FY 2001 | 340,695 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 340,695 |
| FY 2002 | 347,916 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 347,916 |
| FY 2003 | 346,457 | 0 | 0 | 0 | 0 | 52 | 1 | 0 | 0 | 346,510 |
| FY 2004 | 377,544 | 17,956 | 14,050 | 5,892 | 0 | 0 | 11 | 26,568 | 25,271 | 467,292 |
| FY 2005 | 388,665 | 15,553 | 14,411 | 5,584 | 0 | 0 | 4 | 26,954 | 22,990 | 474,161 |
| FY 2006 | 413,320 | 18,160 | 14,972 | 6,508 | 0 | 0 | 20 | 27,770 | 19,474 | 500,224 |
| FY 2007 | 409,902 | 6,274 | 6,945 | 4,951 | 0 | 0 | 12 | 18,007 | 0 | 446,091 |
| FY 2008 | 382,420 | 5,882 | 4,470 | 3,914 | 0 | 751 | 13 | 13,645 | 0 | 411,095 |
| FY 2009 | 329,303 | 5,448 | 4,878 | 3,767 | 3,007 | 0 | 24 | 4,147 | 0 | 350,574 |
| FY 2010 | 280,879 | 5,008 | 5,078 | 3,354 | 4,130 | 266 | 22 | 0 | 0 | 298,737 |
| FY 2011 | 251,132 | 6,261 | 4,819 | 3,128 | 503 | 0 | 46 | 0 | 0 | 265,889 |

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- (a) **Gross Revenue Tax:** The 8% percent tax on Casino Gross Revenue is deposited into the Casino Revenue Fund. Beginning August 14, 2008, Casino Licensees were permitted a deduction from Gross Revenue for Promotional Gaming Credits for purposes of calculating Taxable Gross Revenue subject to the 8% tax.
- (b) **Parking Fee:** Effective July 1, 2006, \$0.50 of each \$3.00 Parking Fee goes to the Casino Revenue Fund with \$2.50 to CRDA. For FY 2004 to FY 2006, \$1.50 of each \$3.00 was allocated to the Casino Revenue Fund. Prior to FY 2004, the Parking Fee was allocated to the CRDA.
- (c) **Hotel Room Fee:** Effective July 1, 2006, \$2.00 of each \$3.00 Hotel Room Fee goes into the Casino Revenue Fund, with a portion of the Casino Revenue Fund's allocation used to fund debt service on \$93 million in CRDA Hotel Room Fee Revenue Bonds (shown pro-rata on Page 1). The remaining \$1.00 is allocated to the CRDA. For FY 2004 to FY 2006, the \$3.00 Hotel Room Fee was allocated to the Casino Revenue Fund. Hotel Room Fee is based on quarterly figures as of March 31, June 30, September 30 and December 31.
- (d) **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 that goes to the Casino Revenue Fund.
- (e) **Expired Gaming-Related Obligations ("Expired Gaming Obligations"):** Effective April 8, 2009, 25% of expired gaming related obligations go to the Casino Revenue Fund. Casino Licensees were billed in FY2009 and FY 2010 for 25% of expired gaming related obligations prior to the effective date (totalling 50% of expired gaming related obligations prior to April 8, 2009).
- (f) **Fines:** The first \$600,000 of fines imposed on casinos in a fiscal year go to the General Fund for Compulsive Gambling Programs. Any amount over \$600,000 goes to the Casino Revenue Fund.
- (g) **Forfeited Winnings:** Winnings of underage gamblers or excluded persons are subject to forfeiture. Forfeitures under \$100,000 are split equally between Casino Revenue Fund and Compulsive Gambling Programs. For forfeitures over \$100,000, Compulsive Gambling Programs get \$50,000 and the balance goes to the Casino Revenue Fund.
- (h) **Tax on Casino Complimentaries ("Comp Tax"):** Effective July 1, 2003, this tax raised a fixed \$26 million for state fiscal years 2004 through 2006, \$19.5 million for 2007, \$13 million for 2008 and \$6.5 million for 2009. Any overpayments were credited in the subsequent fiscal year. The tax expired at the end of FY2009.
- (i) **Net Income Tax:** Effective on July 1, 2003. Tax is based on net income plus management fees for calendar year 2002, which was paid in FY2004 through FY2006. The tax expired at the end of FY2006.

SOURCE INFORMATION:

Source for 1978 through 2009 data provided by Office of Management and Budget, NJ Dept. of Treasury

Source for 2010 data provided by NJ Casino Control Commission and Office of Management and Budget, NJ Dept. of Treasury

Source for 2011-2012 Gross Revenue Tax, Fines, Forfeited Winnings and Expired Gaming Obligations: NJ Division of Gaming Enforcement

Source for 2011-2012 the Parking Fee: NJ Casino Control Commission

Source for 2011-2012 Progressive Slot Tax and Hotel Room Fee: NJ Division of Taxation

(certain amounts may be unaudited and subject to change)