

**NEW JERSEY DIVISION OF TAXATION
REGULATORY SERVICES BRANCH
TECHNICAL BULLETIN**

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TAX: ATLANTIC CITY CASINO PARKING FACILITY FEE

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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” (N.J.S.A. 5:12-1 et seq.) at N.J.S.A. 5:12-173.2. 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 Casino Control Commission collects the minimum parking fee.

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 (CRDA) established pursuant to N.J.S.A. 5-12:153. The remaining \$1.50 of the fee is deposited into the Casino Revenue Fund established pursuant to N.J.S.A. 5:12-145, 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 Atlantic City Casino Parking Facility Fee, including any charges over and above the minimum charge, was subject to Sales Tax.

Effective July 1, 2007, the law was amended to **exclude** the \$3.00 minimum fee from the imposition of Sales 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 is subject to Sales Tax at the applicable rate.

The Sales Tax is reported and remitted on the casino hotel's New Jersey Sales and Use Tax returns. The 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: A Technical Bulletin is an informational document designed to provide guidance on a topic of interest to taxpayers and describe changes to the law, regulations, or Division policies. It is accurate as of the date issued. However, taxpayers should be aware that subsequent changes in the Tax Law or its interpretation may affect the accuracy of a Technical Bulletin. The information provided in this document does not cover every situation and is not intended to replace the law or change its meaning.