

5:2-11 and 5:2-12

**LEGISLATIVE HISTORY CHECKLIST**

**NJSA:** 5:2-11 and 5:2-12; 40:48-8.16

(Boxing,  
wrest-  
ling,  
spar-  
ring--  
taxation)

**LAWS OF:** 1984

**CHAPTER:** 248

**Bill No:** A2468

**Sponsor(s):** Fortunato

**Date Introduced:** September 20, 1984

**Committee: Assembly:** Revenue, Finance and Appropriations

**Senate:** /////

**Amended during passage:**

No

Substituted for  
S2184(not attached  
since identical to  
A2468)

**Date of Passage:**

**Assembly:** November 19, 1984

**Senate:** Dec. 6, 1984

**Date of Approval:** January 7, 1985

**Following statements are attached if available:**

**Sponsor statement:**

Yes

(Below)

**Committee statement:**

**Assembly**

Yes

**Senate**

No

**Fiscal Note:**

No

**Veto Message:**

No

**Message on Signing:**

Yes

**Following were printed:**

**Reports:**

No

**Hearings:**

No

**Sponsor's statement:**

This bill revises the statutes governing the regulation and taxation of boxing, wrestling, and sparring exhibitions and performances.

ASSEMBLY, No. 2468

STATE OF NEW JERSEY

INTRODUCED SEPTEMBER 20, 1984

By Assemblyman FORTUNATO

AN ACT concerning the regulation of and the imposition of a tax on boxing, wrestling and sparring exhibitions or performances and amending R. S. 5:2-11, R. S. 5:2-12 and P. L. 1947, c. 71.

1 BE IT ENACTED *by the Senate and General Assembly of the State*  
2 *of New Jersey:*

1 1. R. S. 5:2-11 is amended to read as follows:

2 5:2-11. *a.* No boxing, wrestling or sparring exhibition or perfor-  
3 mance shall be held by any person unless such person shall have,  
4 at least two weeks before the holding of the same, notified the com-  
5 missioner, in such form, with such detailed information and at such  
6 place as the commissioner may prescribe, of the proposed holding  
7 of the same, and shall, in addition to having a license as provided  
8 by **[section]** R. S. 5:2-8 **[of this title]**, have obtained from the  
9 commissioner at least 10 days prior to the date of the proposed  
10 exhibition or performance, a permit in writing to hold the same.  
11 *No permit shall be granted to any person who has been delinquent*  
12 *in paying a tax which has been assessed pursuant to this act unless*  
13 *good cause is shown.*

14 *b.* *The commissioner shall be notified, at least one week in ad-*  
15 *vance, in such form and with such detailed information as the com-*  
16 *missioner may prescribe, that a boxing, wrestling or sparring exhibi-*  
17 *tion or performance is to be telecast, televised or broadcast in any*  
18 *manner, including but not limited to television, radio, any transmis-*  
19 *sion via a cable television system, as defined in section 3 of P. L.*  
20 *1972, c. 186 (C. 48:5A-3), or any transmission via microwave, closed*

**EXPLANATION**—Matter enclosed in bold-faced brackets **[thus]** in the above bill  
is not enacted and is intended to be omitted in the law.  
Matter printed in italics *thus* is new matter.

21 *circuit, satellite, fiber optic link or any other method of limited*  
22 *distribution.*

1 2. R. S. 5:2-12 is amended to read as follows:

2 5:2-12. *a.* Every person who shall hold any boxing, wrestling or  
3 sparring exhibition or performance shall, within [24 hours after the  
4 conclusion thereof, furnish to the commissioner at such place as he  
5 may prescribe, a duly verified written report of the exact amount of  
6 tickets sold for such exhibition or performance, the amount of the  
7 gross proceeds thereof, and such other matters as the commissioner  
8 may prescribe, and shall also, within the said time, pay to the  
9 commissioner, at such place as he may prescribe, a tax of 10% of  
10 the total gross receipts from the sale of tickets of admission to such  
11 exhibition or performance and in addition thereto a tax of 5% on  
12 any moneys received by reason of the lease or sale of television,  
13 moving picture or radio rights in connection with any such exhibi-  
14 tion or performance to the extent only that such moneys shall be  
15 attributable to transmissions received or exhibited in this State;  
16 provided, however, that when a boxing or wrestling performance is  
17 held, at which a championship title is at stake, the commissioner,  
18 at his discretion, may reduce the aforementioned tax of 10% of  
19 the total gross receipts from the sale of tickets of admission to such  
20 exhibition or performance to 5% of the total gross receipts. The  
21 commissioner shall forthwith pay the tax into the State Treasury]  
22 *seven days, exclusive of Saturdays, Sundays and legal holidays,*  
23 *after the conclusion thereof, pay to the commissioner a tax:*

24 (1) *On the total gross receipts from the sale of tickets and on*  
25 *the face value of all tickets issued as complimentary tickets as*  
26 *follows: 3% of the first \$25,000.00 derived from such tickets; 4%*  
27 *of the next \$50,000.00 derived from such tickets; 5% of the next*  
28 *\$125,000.00 derived from such tickets; and 6% of any amount de-*  
29 *rived from such tickets exceed \$200,000.00; except that in no event*  
30 *shall any tax assessed under the provisions of this paragraph ex-*  
31 *ceed \$100,000.00; and*

32 (2) *On any monies received by reason of the lease or sale of*  
33 *television, including cable television and closed circuit television,*  
34 *moving pictures or radio rights in connection with any such exhibi-*  
35 *tion or performance a tax of 5% of the first \$50,000.00 derived from*  
36 *the lease or sale of television, moving pictures or radio rights; 3%*  
37 *of the next \$100,000.00 derived from the lease or sale of such rights;*  
38 *2% of the next \$100,000.00 derived from the lease or sale of such*  
39 *rights; and 1% of any amount in excess of \$250,000.00 derived*  
40 *from the lease or sale of such rights; except that in no event shall*

41 *any tax assessed under the provisions of this paragraph exceed*  
 42 *\$100,000.00.*

43 *For the purposes of paragraphs (1) and (2) of this subsection,*  
 44 *the total gross receipts from the sale of tickets or from the lease*  
 45 *or sale of television, moving pictures or radio rights shall not be*  
 46 *subject to any reduction or allowance of any kind whatsoever.*

47 *b. The total amount of gross receipts from any such exhibition*  
 48 *or performance including those derived from the sale or lease of*  
 49 *television, moving picture and radio rights and the total amount of*  
 50 *tax due hereunder shall be [determined by the commissioner, and*  
 51 *for] provided to the commissioner for review and determination.*  
 52 *For this purpose the commissioner may examine, or cause to be*  
 53 *examined, the books and records of any person and hold hearings*  
 54 *as provided by [section] R. S. 5:2-6 [of this Title]. The finding*  
 55 *and determination of the commissioner as to the amount of such*  
 56 *tax shall be deemed prima facie to be correct in all matters and*  
 57 *proceedings in which the same may be called into question.*

58 *Should any person being liable for the tax hereby imposed, fail*  
 59 *to pay the same, an action therefor may be maintained in any*  
 60 *court of competent jurisdiction, in the name of the commissioner,*  
 61 *to be prosecuted by the Attorney General, in addition to any*  
 62 *remedies given by the bond filed in accordance with [section] R. S.*  
 63 *5:2-9 [of this Title], which actions and remedies may be pursued*  
 64 *simultaneously or in any other order which the commissioner may*  
 65 *see fit.*

1 3. Section 2 of P. L. 1947, c. 71 (C. 40:48-8.16) is amended to  
 2 read as follows:

3 2. As used in this act:

4 "Retail sale" or "sale at retail" means and includes

5 (1) Any sale in the ordinary course of business for consumption  
 6 of whiskey, beer or other alcoholic beverages by the drink in  
 7 restaurants, cafes, bars, hotels and other similar establishments;

8 (2) Any cover charge, minimum charge, entertainment, or other  
 9 similar charge made to any patron of any restaurant, cafe, bar,  
 10 hotel or other similar establishment;

11 (3) The hiring, with or without service, of any room in any  
 12 hotel, inn, rooming or boarding house;

13 (4) The hiring of any rolling chair, beach chair or cabana; and

14 (5) The granting or sale of any ticket, license or permit for  
 15 admission to any theatre, moving picture exhibition or show, pier,  
 16 exhibition, or place of amusement, *except charges for admission to*  
 17 *boxing, wrestling, or sparring exhibitions and performances, which*  
 18 *charges are taxed as provided in R. S. 5:2-12.*

19 "Vendor" means any person selling or hiring property or  
20 services to another person upon the receipts from which a tax is  
21 imposed.

22 "Purchaser" means any person purchasing or hiring property  
23 or services from another person, the receipts from which are tax-  
24 able.

1 4. This act shall take effect immediately.

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STATEMENT

This bill revises the statutes governing the regulation and taxation of boxing, wrestling, and sparring exhibitions and performances.

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ASSEMBLY REVENUE, FINANCE AND APPROPRIATIONS  
COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 2468**

**STATE OF NEW JERSEY**

DATED: OCTOBER 22, 1984

PROVISIONS:

Assembly Bill No. 2468 revises the statutes governing the taxation of boxing, wrestling, and sparring exhibitions and performances.

BACKGROUND:

Currently, there is a 10% tax on the total gross receipts from the sale of admission tickets and a tax of 5% on any moneys received on television, radio, and moving picture rights. If a championship title is at stake, the Athletic Commissioner may reduce the 10% admissions tax to 5%.

This bill establishes gradations of taxation as follows:

1. Admissions: a. 3% of the first \$25,000.00; b. 4% of the next \$50,000.00; c. 5% of the next \$125,000.00; and d. 6% of everything over \$200,000.00; however, this tax shall not exceed \$100,000.00.

2. Television, radio and moving picture rights: a. 5% on the first \$50,000.00; b. 3% on the next \$100,000.00; c. 2% on the next \$100,000.00; and d. 1% on everything over \$250,000.00; however, this tax shall not exceed \$100,000.00.

Admission charges to boxing, wrestling, and sparring matches are exempt from the Atlantic City sales tax.

The committee favorably reports this bill.

974.101

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# OFFICE OF THE GOVERNOR NEWS RELEASE

CN-001

Contact: PAUL WOLCOTT  
609-292-8956

TRENTON, N.J. 08625

Release: TUESDAY, JAN. 8, 1985

Governor Thomas H. Kean has signed legislation which increases the membership of the Racing Commission from four to seven members by the addition of three new members from South Jersey.

The bill, S-2543/A-3027, was sponsored by State Senator Walter Rand and Assemblyman Dennis Riley, both D-Camden, it is a companion measure to S-2516, signed last month, which amends the charter of the New Jersey Sports and Exposition Authority to permit construction of a baseball stadium and other activities.

Enactment of both bills was required for either to become effective.

The bill defines South Jersey as consisting of Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer, Ocean and Salem counties.

The Governor also signed A-2468, sponsored by Assemblyman A. Joseph Fortunato, D-Essex, which eliminates the Atlantic Luxury Tax currently imposed on boxing and sparring exhibitions held in that city.

The bill leaves intact the 10 percent gross receipts tax on ticket sales and the 5 percent tax on the lease or sale of broadcast rights to boxing or sparring matches.

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