

54:32B-3

LEGISLATIVE HISTORY CHECKLIST

WJSA 54:32B-3 (Sales Tax - Boxing and wrestling match admissions)

LAWS OF 1979 CHAPTER 170

Bill No. A3424

Sponsor(s) Van Wagner and Flynn

Date Introduced June 14, 1979

Committee: Assembly Taxation

Senate -----

Amended during passage No

Date of Passage: Assembly June 21, 1979

Senate June 25, 1979

Date of approval August 23, 1979

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 No

Following were printed:

Reports No

Hearings No

Sponsor's statement:

This bill excepts from the Sales and Use Tax Act the current tax on admissions to boxing, sparring, wrestling matches or exhibitions where such are taxed under other law.

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ASSEMBLY, No. 3424

STATE OF NEW JERSEY

INTRODUCED JUNE 14, 1979

By Assemblymen VAN WAGNER and FLYNN

Referred to Committee on Taxation

AN ACT to amend the "Sales and Use Tax Act," approved April 27, 1966 (P. L. 1966, c. 30).

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

1 1. Section 3 of P. L. 1966, c. 30 (C. 54:32B-3) is amended to
2 read as follows:

3 3. Imposition of sales tax. On and after July 1, 1966 and con-
4 tinuing through February 28, 1970 there is hereby imposed and
5 there shall be paid a tax of 3%, and on and after March 1, 1970
6 there is hereby imposed and there shall be paid a tax of 5% upon:

7 (a) The receipts from every retail sale of tangible personal
8 property, except as otherwise provided in this act.

9 (b) The receipts from every sale, except for resale, of the fol-
10 lowing services:

11 (1) Producing, fabricating, processing, printing or imprinting
12 tangible personal property, performed for a person who directly
13 or indirectly furnishes the tangible personal property, not pur-
14 chased by him for resale, upon which such services are performed.

15 (2) Installing tangible personal property, or maintaining, ser-
16 vicing, repairing tangible personal property not held for sale in
17 the regular course of business, whether or not the services are
18 performed directly or by means of coin-operated equipment or by
19 any other means, and whether or not any tangible personal prop-
20 erty is transferred in conjunction therewith, except (i) such ser-
21 vices rendered by an individual who is engaged directly by a private
22 homeowner or lessee in or about his residence and who is not in
23 a regular trade or business offering his services to the public, (ii)
24 such services rendered with respect to personal property exempt
25 from taxation hereunder pursuant to subsection (a) of section 8,
26 (iii) services rendered with respect to trucks, tractors, trailers or
27 semitrailers by a person who is not engaged, directly or indirectly
28 through subsidiaries, parents, affiliates or otherwise, in a regular
29 trade or business offering such services to the public, (iv) any

30 receipts from laundering, dry cleaning, tailoring, weaving, press-
31 ing, shoe repairing and shoeshining, and (v) services rendered in
32 installing property which, when installed, will constitute an addi-
33 tion or capital improvement to real property, property or land.

34 (3) Storing all tangible personal property not held for sale in
35 the regular course of business and the rental of safe deposit boxes
36 or similar space.

37 (4) Maintaining, servicing or repairing real property, other
38 than a residential heating system unit serving not more than three
39 families living independently of each other and doing their cooking
40 on the premises, whether the services are performed in or outside
41 of a building, as distinguished from adding to or improving such
42 real property, by a capital improvement, but excluding services
43 rendered by an individual who is not in a regular trade or business
44 offering his services to the public, and excluding interior cleaning
45 and maintenance services, garbage removal and sewer services
46 performed on a regular contractual basis for a term of not less
47 than 30 days, other than window cleaning, and rodent and pest
48 control.

49 (5) Advertising services except advertising services for use
50 directly and primarily for publication in newspapers and maga-
51 zines.

52 Wages, salaries and other compensation paid by an employer
53 to an employee for performing as an employee the services de-
54 scribed in this subsection are not receipts subject to the taxes
55 imposed under this subsection (b).

56 Services otherwise taxable under paragraph (1) or (2) of this
57 subsection (b) are not subject to the taxes imposed under this
58 subsection where the tangible personal property upon which the
59 services were performed is delivered to the purchaser outside this
60 State for use outside this State.

61 (c) Receipts from the sale of food and drink except alcoholic
62 beverages as defined in the Alcoholic Beverage Tax Law, in or by
63 restaurants, taverns or other establishments in this State, or by
64 caterers, including in the amount of such receipts any cover, mini-
65 mum, entertainment or other charge made to patrons or customers:

66 (1) In all instances where the sale is for the consumption on the
67 premises where sold;

68 (2) In those instances where the vendor or any person whose
69 services are arranged for by the vendor, after the delivery of the
70 food or drink by or on behalf of the vendor for consumption off
71 the premises of the vendor, serves or assists in serving, cooks,

72 heats or provides other services with respect to the food or drink,
73 except for meals especially prepared for and delivered to home-
74 bound elderly, age 60 or older, and to disabled persons, or meals
75 prepared and served at a group-sitting at a location outside of the
76 home to otherwise homebound elderly persons, age 60 or older,
77 and otherwise homebound disabled persons, as all or part of any
78 food service project funded in whole or in part by government or
79 as part of a private nonprofit food service project available to all
80 such elderly or disabled persons residing within an area of service
81 designated by the private nonprofit organization; and

82 (3) In those instances where the sale is for consumption off the
83 premises of the vendor, and consists of a meal, or food prepared
84 and ready to be eaten, of a kind obtainable in restaurants as the
85 main course of a meal, including a sandwich, except where food
86 other than sandwiches is sold in an unheated state and is of a type
87 commonly sold in the same form and condition in food stores other
88 than those which are principally engaged in selling prepared foods.

89 The tax imposed by this subsection (c) shall not apply to food or
90 drink which is sold to an air line for consumption while in flight.

91 (d) The rent for every occupancy of a room or rooms in a hotel
92 in this State, except that the tax shall not be imposed upon (1) a
93 permanent resident, or (2) where the rent is not more than at the
94 rate of \$2.00 per day.

95 (e) (1) Any admission charge where such admission charge is
96 in excess of \$0.75 to or for the use of any place of amusement in
97 the State, including charges for admission to race tracks, baseball,
98 football, basketball or exhibitions, dramatic or musical arts per-
99 formances, motion picture theatres, *except charges for admission*
100 *to boxing, sparring, or wrestling matches or exhibitions which*
101 *charges are taxed under any other law of this State or under R. S.*
102 *5:2-12, and, except charges to a patron for admission to, or use*
103 *of, facilities for sporting activities in which such patron is to be a*
104 *participant, such as bowling alleys and swimming pools. For any*
105 *person having the permanent use or possession of a box or seat*
106 *or a lease or a license, other than a season ticket, for the use of a*
107 *box or seat at place of amusement, the tax shall be upon the amount*
108 *for which a similar box or seat is sold for each performance or*
109 *exhibition at which the box or seat is used or reserved by the holder,*
110 *licensee or lessee, and shall be paid by the holder, licensee or lessee.*

111 (2) The amount paid as charge of a roof garden, cabaret or
112 other similar place in this State, to the extent that a tax upon such
113 charges has not been paid pursuant to subsection (c) hereof.

1 2. This act shall take effect July 1, 1979.

STATEMENT

This bill excepts from the Sales and Use Tax Act the current tax on admissions to boxing, sparring, wrestling matches or exhibitions where such are taxed under other law.

ASSEMBLY TAXATION COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3424

STATE OF NEW JERSEY

DATED: JUNE 18, 1979

This bill proposes to amend the "Sales and Use Tax Act" excepting from that tax admission to boxing, wrestling or sparring exhibition or performance, but only to the extent that such are taxed under N. J. S. 5:2-12.

This bill, in its effect, would have New Jersey law taxing boxing, wrestling or sparring exhibition or performance only under the boxing and wrestling statutes. Currently both taxes apply.

This would make New Jersey facilities more competitive for major boxing, wrestling or sparring exhibition or performance events.

FROM THE OFFICE OF THE GOVERNOR

FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION

AUGUST 23, 1979

PAT SWEENEY

Governor Brendan Byrne today signed A-3424 and A-3434, both sponsored by Assemblyman Richard Van Wagner (D-Monmouth), in a public ceremony in the Governor's Office.

A-3424 exempts from the Sales and Use Tax Act admission charges to "boxing, sparring or wrestling matches or exhibitions" where such revenues are taxed under another statute.

A-3434 is a companion measure to A-3424. It limits the five percent tax on revenue received from the lease or sale of television, moving picture or radio rights in connection with boxing, wrestling and sparring exhibitions and performances provided in the Boxing and Wrestling Act to only those revenues which are "attributable to transmissions received or exhibited in this State."

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