



Sports and Entertainment Facility Tax - Millville

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Tax: Sports and Entertainment Facility Tax – Millville

P. L. 2007, Chapter 30 ([N.J.S.A. 34:1B-193](#)) was signed into law on January 26, 2007. Known as the "Sports and Entertainment District Urban Revitalization Act," the legislation authorizes a governing body of an eligible municipality to establish a sports and entertainment district within that municipality. By city ordinance, approval was granted for the development of the New Jersey Motorsports Park ("Motorsports Park") located in Millville.

The Act authorizes the establishment of one or more new local taxes and dedicates the revenue from some or all of those taxes to financing projects in the sports and entertainment district. A new 2% local tax has been imposed in the Millville Sports and Entertainment District on receipts from sales (including rentals) of tangible personal property, food and drink, rents for hotel occupancies, and admission charges.

All businesses operating at the Motorsports Park are required to collect, report, and remit the applicable taxes which will require filing multiple returns. The 2% local tax is to be reported and remitted electronically on a quarterly basis using the online "Sports and Entertainment Facility Tax – Millville District" return (Form [SM-100](#)). The returns are due on or before the 20th day of the month following the close of the calendar quarter. Returns are required to be filed for each calendar quarter even if there were no receipts that were subject to the tax for that particular quarter.

Payments must also be submitted electronically by electronic check (e-check), electronic funds transfer (EFT), or credit card. Payments by credit card will be subject to a service fee of 1.9% of the tax liability plus \$1 and is paid directly to "NICUSA-NJ." Other returns that may be applicable include the Sales & Use Tax return ([ST-50/51](#)), the Hotel Occupancy Tax return ([HM-100](#)) and the UEZ combined tax return ([UZ-50](#)).

Since the facility is primarily located within the Millville Urban Enterprise Zone, qualified sellers holding a valid UZ-2 certificate may charge the reduced 3.3125% Sales Tax rate on sales or rentals of tangible personal property such as the karts, golf carts, tents and other taxable tangible property sold or rented at the sports facility.

Non-UEZ qualified sellers will charge 6.625% on sales or rentals of tangible personal property; all prepared food and drink (including alcohol) sellers will charge 6.625%; hotels will charge 6.625% Sales Tax in addition to the 5% State Occupancy Fee; if the city enacts a hotel occupancy tax ordinance, hotels will also charge the Municipal Occupancy Tax, which can be up to 3%.

Since the 2% local tax is only imposed on sales subject to tax under the Sales and Use Tax Act ([N.J.S.A. 54:32B-1](#), et seq.) purchases made by Federal and state governmental agencies, their political subdivisions and instrumentalities, as well as organizations approved by the Division of Taxation as exempt from Sales Tax are also exempt from the 2% local tax.

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.