

Sales/Use/Indirect:

New Jersey: US Court of Appeals Affirms Dismissal of Lawsuit Against Streaming Entertainment Companies

Case No. 22-2139, 3rd Cir. (2/29/24). In a suit filed by New Jersey municipalities against two streaming entertainment companies claiming that they owed local franchise fees imposed on certain cable television entities under New Jersey law (*i.e.*, under the “New Jersey Cable Television Act” (CTA)), the US Court of Appeals for the Third Circuit (Court) affirmed the US District Court for the District of New Jersey’s dismissal of the case – holding that the municipalities have no private right of action. In doing so, the Court explained that the CTA does not provide an express or implied right of action for municipalities to enforce its provisions. The holding in this case is in line with similar recent court decisions in other states. Please contact us with any questions.

URL: <https://www2.ca3.uscourts.gov/opinarch/222139p.pdf>

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