

State of New Jersey

REVENUES FY2007

(In Millions)

	<u>FY2006</u> <u>June Cert.</u>	<u>FY2007</u> <u>Revenues</u>	<u>Change</u>	
			<u>\$</u>	<u>%</u>
Income	\$ 10,475	\$ 11,475	\$ 1,000	9.5%
Sales	6,793	8,484	1,691	24.9%
Corporate	2,735	2,479	(256)	(9.4)%
Other*	<u>8,358</u>	<u>8,186</u>	<u>(172)</u>	(2.1)%
Total	<u>\$ 28,361</u>	<u>\$ 30,624</u>	<u>\$ 2,263</u>	8.0%

* Includes Sales & Corporate Business Tax on Energy

State of New Jersey

FY 2007 Revenue Actions

(In Millions)

Sales Tax - Increase to 7%	\$ 1,200
Sales Tax - Consumer Services	301
Corporation Business Tax Surcharge 4%	94
Energy Facilities Assessment	54
HMO Assessment	50
Sales Tax - Urban Enterprise Zone Reform	46
Car Rental to \$5 / day	36
Realty Transfer Tax Commercial Property >\$1 Million	32
Cigarette Tax - 17.5 cents	30
Corporation Business Tax Minimum	25
Surcharge on New Luxury Car Registrations	17
Fur Clothing	5
Tobacco Wholesale (Moist Snuff)	2
Other	<u>30</u>
Sub-Total	\$ 1,922
Phase out of NOL, S-Corp & Casino Taxes	<u>(300)</u>
Total	<u><u>\$ 1,622</u></u>

State of New Jersey

DETAILS OF THE FY2007 APPROPRIATIONS ACT

(In Millions)

	<u>FY2006 Adjusted Approp.</u>	<u>FY2007 Approp. Act</u>	<u>% Change</u>
Opening Surplus	\$ 780	\$ 1,455	86.5%
Revenues			
Income	10,475	11,475	9.5%
Sales	6,793	8,484	24.9%
Corporate	2,735	2,479	(9.4)%
Other	<u>8,358</u>	<u>8,186</u>	(2.1)%
Total Revenues	\$ 28,361	\$ 30,624	8.0%
Lapses	<u>411</u>	<u>---</u>	
Total Resources	<u>\$ 29,552</u>	<u>\$ 32,079</u>	8.6%
Appropriations			
Original	\$ 27,920	\$ 30,819	10.4%
Supplementals	<u>177</u>	<u>---</u>	
Total Appropriations	<u>\$ 28,097</u>	<u>\$ 30,819</u>	9.7%
Property Tax Reserve Fund		600	
Fund Balance	<u>\$ 1,455</u>	<u>\$ 660</u>	

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Nonrecurring Resources Down by More Than 60% Compared to the Average of Last 4 Years

(In Millions)

	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
Rental Assistance (Neighborhood Preservation) \$	---	\$ ---	\$ ---	\$ ---	\$ 5
Tobacco Securitization	1,557	1,612	---	---	---
New Revenue Securitization	---	---	1,930	---	---
General Fund Surplus	15	---	463	44	794
Unemployment Insurance Fund	325	325	100	350	---
Millionaire's Tax - Retroactive Impact	---	---	156	---	---
Federal Stimulus	106	433	---	---	---
PAAD Waiver	147	148	---	---	---
CBT Accelerated Payments	651	---	---	---	---
Car Registration Acceleration	---	---	16	22	22 *
Unclaimed Property	100	---	---	---	---
State Disability Fund	---	30	110	---	50
Securities Enforcement Collections	---	10	2	---	---
Real Estate Guarantee	---	1	---	---	---
NJ Redevelopment Authority	---	9	---	---	---
Hotel Revenue State Share	---	25	---	---	---
Economic Development Authority	---	30	2	2	---
Toll Road Revenue TTF	22	22	---	---	---
Catastrophic Illness in Children Relief Fund	---	4	---	---	---
Drug Enforcement Demand Reduction	4	3	1	2	---
Educational Facilities Authority	---	---	2	---	---
Federal TANF Balances	70	86	18	---	---
VOI/TIS Federal Funds	12	13	---	---	---
Cash Management Fund	20	---	---	12	---
Free Public Schools	25	---	---	---	---
Meadowlands Commission	62	---	---	---	---
Sanitary Landfill Contingency	6	6	---	---	---
Second Injury Fund	20	---	---	5	---
Surplus Lines	43	---	---	---	---
UMDNJ Self Insurance Fund	77	---	---	---	---
UEZ Balances	37	---	---	---	---
Mutual Workers' Compensation Fund	---	---	5	---	---
Petroleum Surcharge Fund	---	---	---	5	---
PAAD / ADDP Rebate Receivable	---	---	---	56	---
PAAD Medicare D Administration	---	---	---	5	---
Bond Refinancing	---	---	---	150	---
Benefit Enhancement Fund / Pensions	---	126	265	385	---
Asset Sales	---	---	---	200	---
Human Services-Revenues	---	---	---	4	94
Tobacco Settlement Fund	---	---	---	10	13
New Home Warranty Security Fund	---	---	---	20	---
Phase-out of Casino Comps	---	---	---	43	---
Public Records Preservation Fund	---	---	---	5	---
G.O. / Bldg. Authority Refinance Savings	---	---	---	266	---
Health Benefits / Rx Fund Balance	---	---	---	60	60
Cigarette and MVC Revenues	---	---	---	243	---
Workforce Development Fund	---	---	---	---	20
Fund Shifts (various)	---	---	---	---	44
Total	<u>\$ 3,299</u>	<u>\$ 2,883</u>	<u>\$ 3,070</u>	<u>\$ 1,889</u>	<u>\$ 1,102</u>

Comparing Approp Act to Approp Act

* Impact from 4 year vehicle registration

State of New Jersey

FUNDING FOR PROPERTY TAX RELIEF

(In Millions)

	FY2006 Adjusted Approp.	FY2007 Approp. Act	Change \$	%
School Aid	\$ 9,361.3	\$ 10,307.6	\$ 946.3	10.1%
Municipal Aid	1,815.7	1,997.5	181.8	10.0%
Other Local Aid	813.0	805.6	(7.4)	(0.9)%
Direct Property Tax Relief	<u>1,320.5</u>	<u>1,713.3</u>	<u>392.8</u>	29.7%
Subtotal Direct Aid	<u>\$ 13,310.5</u>	<u>\$ 14,824.0</u>	<u>\$ 1,513.5</u>	11.4%
Hotel Revenue	36.7	38.0	1.3	3.5%
Realty Transfer Fee - County Share	<u>130.0</u>	<u>130.0</u>	<u>-</u>	-
Grand Totals	<u>\$ 13,477.2</u>	<u>\$ 14,992.0</u>	<u>\$ 1,514.8</u>	11.2%

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SCHOOL AID

(In Millions)

	<u>FY2006 Adjusted Approp.</u>	<u>FY2007 Approp. Act</u>	<u>\$ Change</u>
Formula/Supplemental Programs	\$6,997.5	\$7,116.9	\$119.4
Abbott Preschool Expansion	192.4	243.2	50.8
Above Average Enrollment Growth	12.0	17.6	5.6
High Expectations for Learning Proficiency (HELP)	15.0	16.9	1.9
Nonpublic School Aid	108.1	101.6	(6.5)
Other Aid	134.7	127.6	(7.1)
Total Direct School Aid	<u>\$7,459.7</u>	<u>\$7,623.8</u>	<u>\$164.1</u>
Teachers' Pension and Annuity Fund	\$94.5	\$693.9	\$599.4
Post Retirement Medical	685.4	721.4	36.0
Debt Service on Pension Obligation Bonds	86.9	95.1	8.2
Teachers' Social Security	655.8	691.8	36.0
Total Direct State Payments for Education	<u>\$1,522.6</u>	<u>\$2,202.2</u>	<u>\$679.6</u>
School Construction and Renovation Fund	\$259.3	\$364.8	\$105.5
Debt Service Aid	119.7	116.8	(2.9)
Total School Building Aid	<u>\$379.0</u>	<u>\$481.6</u>	<u>\$102.6</u>
Total School Aid	<u>\$9,361.3</u>	<u>\$10,307.6</u>	<u>\$946.3</u>

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MUNICIPAL AID

(In Millions)

	<u>FY2006 Adjusted Approp.</u>	<u>FY2007 Approp. Act</u>	<u>\$ Change</u>
Consolidated Municipal Property Tax Aid (CMPTRA)	\$835.4	\$835.4	\$ ---
Energy Receipts Property Tax Relief Aid	788.5	788.5	---
Municipal Homeland Security Assistance	32.0	32.0	---
Highlands Protection Fund Aid	12.0	12.0	---
Special Municipal Aid	29.3	174.7	145.4
Supplemental Municipal Assistance	---	35.9	35.9
Regional Efficiency Aid Program (REAP)	11.0	11.0	---
Trenton Capitol City Aid	16.5	16.5	---
Legislative Initiative Block Grant Program	34.8	34.8	---
Extraordinary Aid	43.0	43.0	---
Open Space - Payment In Lieu of Taxes (PILOT)	9.0	9.5	0.5
Regional Efficiency Development Incentive Grants (REDI)	4.2	4.2	---
Subtotal Direct Municipal Aid	\$1,815.7	\$1,997.5	\$181.8
Hotel Municipal Revenue	36.7	38.0	1.3
Total Municipal Aid and Budget Savings	<u>\$1,852.4</u>	<u>\$2,035.5</u>	<u>\$183.1</u>

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DIRECT PROPERTY TAX RELIEF

(In Millions)

	<u>FY2006 Adjusted Approp.</u>	<u>FY2007 Approp. Act</u>	<u>\$ Change</u>
Homestead Rebates	\$696.5	\$1,057.3	\$360.8
Senior/Disabled Citizens' Property Tax Freeze	100.0	118.9	18.9
Municipal Reimbursement - Veterans' Tax Deductions	86.0	76.4	(9.6)
Municipal Reimbursement - Senior/Disabled Citizens' Tax Deductions	23.0	22.7	(0.3)
Property Tax Deduction Act	<u>415.0</u>	<u>438.0</u>	<u>23.0</u>
Total Direct Property Tax Relief	<u><u>\$1,320.5</u></u>	<u><u>\$1,713.3</u></u>	<u><u>\$392.8</u></u>

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HIGHER EDUCATION

(In Millions)

	FY2006 Adjusted Approp.	FY2007 Approp. Act	\$ Change
SENIOR PUBLIC INSTITUTIONS			
Rutgers University	\$356.3	\$309.4	(\$46.9)
UMDNJ	242.9	220.7	(22.2)
NJIT	51.5	47.2	(4.3)
Thomas Edison State College	6.7	6.2	(0.4)
Rowan University	39.5	36.5	(3.0)
New Jersey City University	33.5	31.0	(2.5)
Kean University	43.2	39.6	(3.5)
William Paterson University	42.1	39.0	(3.1)
Montclair State University	50.4	46.1	(4.2)
College of New Jersey	38.0	35.0	(3.0)
Ramapo College of New Jersey	21.4	19.6	(1.8)
Richard Stockton College of New Jersey	25.7	23.7	(2.0)
SUBTOTAL, SENIOR PUBLICS DIRECT AID	\$951.1	\$854.0	(\$97.1)
SENIOR PUBLICS SALARY FUNDING	---	---	---
SENIOR PUBLICS NET FRINGE BENEFITS (a)	545.7	612.0	66.3
TOTAL, SENIOR PUBLICS	\$1,496.7	\$1,466.0	(\$30.7)
TOTAL, COUNTY COLLEGES (a)	\$223.6	\$217.5	(\$6.1)
TOTAL, INDEPENDENT COLLEGES & UNIV.	\$24.0	\$19.5	(\$4.5)
STUDENT FINANCIAL ASSISTANCE			
Tuition Aid Grants	208.9	214.7	5.8
Part-time TAG for County Colleges	4.5	4.9	0.5
NJ STARS	8.0	8.0	---
EOF Grants and Scholarships	40.6	40.6	---
Coordinated Garden State Scholarships	7.6	7.6	---
Social Services Student Loan Redemptpion Program	3.5	3.5	---
Other Student Aid Programs	16.4	11.4	(5.0)
TOTAL, STUDENT FINANCIAL ASSIST.	\$289.4	\$290.8	\$1.3
OTHER PROGRAMS			
Capital Grants and Facilities Support (b)	90.0	98.5	8.5
New Jersey Stem Cell Research Institute (c)	5.5	5.5	---
All other programs	18.8	13.0	(5.8)
TOTAL, OTHER PROGRAMS	\$114.3	\$117.0	\$2.6
GRAND TOTAL, HIGHER EDUCATION	\$2,148.0	\$2,110.7	(\$37.3)

(a) Amounts reflect revised phase-in of pension funding.

(b) Includes funding from Supplemental Workforce Fund for Basic Skills of \$14.0 million in FY 2006 and FY 2007.

(c) Includes use of off-budget fund balances totaling \$18.0 million in FY 2006 and \$12.0 million in FY 2007.