

Who says how much? Debate on tax evenues builds

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Embodied in the governor's budget proposal each year is a detailed fiscal outlook and revenue forecast for each of the state's major sources of tax collection.

From there, the state treasurer typically comes before lawmakers twice each spring to review the forecast and detail any changes, if necessary, that occur in response to the latest tax-collection trends.

Meanwhile, revenue forecasts are also prepared each year by fiscal analysts employed by the Office of Legislative Services, or OLS, which serves as the state Legislature's nonpartisan research arm. But because the constitution gives the governor the final say when it comes to forecasting revenue, the legislative projections are only advisory in nature.

What happens when forecasts don't align?

While differences are to be expected, major discrepancies between an administration's forecasts with those produced by the OLS can often serve as red flags for lawmakers as they compile an annual spending bill.

Such a scenario played out over a decade ago, when then-Gov. Chris Christie was urging lawmakers to approve an across-the-board state income tax cut. At the time, Christie's administration was forecasting significant revenue growth would occur during the state's recovery from the 2007-2009 Great Recession, but the legislative estimates were far less sanguine.

In [2020, during Murphy's tenure](#), the roles were largely reversed.

This time, the OLS projections are v

sustain the state budget during the pandemic. With a final signoff fr

