

In the span of 24 hours last week, New Jersey Policy Perspective, the left-of-center think tank based in Trenton, urged the Legislature to enact an increase in the tax on incomes over \$1 million, claiming millionaires will receive a windfall under the new federal tax reform/tax cut legislation, and Gov. Phil Murphy announced his administration will join in a lawsuit claiming the law punishes millionaires by forcing them to pay higher taxes.

The think tank report contended that despite the \$10,000 cap imposed on allowable deductions for state and

Murphy also confronts a dilemma posed by Sweeney's suggestion that before a millionaire's tax is considered, a study be undertaken of the state's overall tax structure — state levies as well as local property taxes — to assess their fairness (property taxes in particular) and whether a comprehensive overhaul of the system is necessary.

A study of that magnitude would presumably take many months to complete and many months following if its recommendations require legislative approval.

Whether the millionaire's tax will be included when Murphy delivers his budget message to the Legislature in March is unclear at this point. What is clear, though, is that his divergence from Policy Perspective is a trial separation rather than a divorce. And, like most such situations, it's about money.

Fear not; a reconciliation is likely.

Read or Share this story: <http://on.app.com/2FpGqpS>