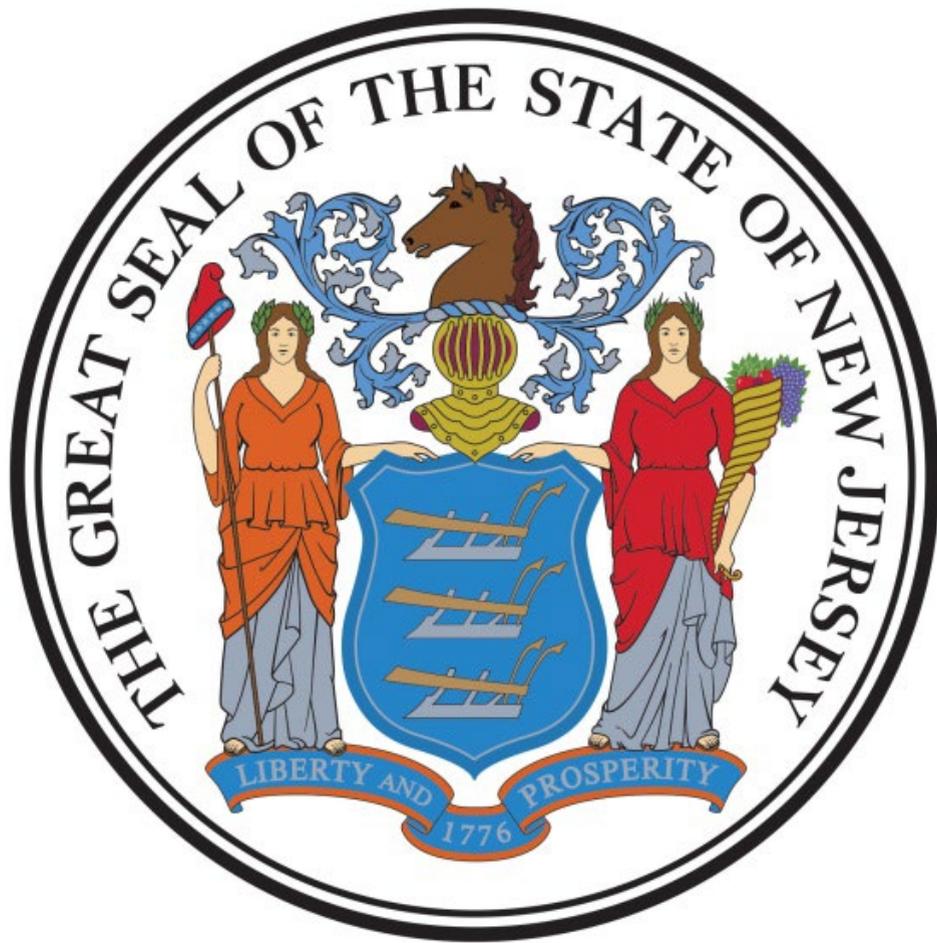


FY 2026 Budget



May 14, 2025

STATE REVENUES
FISCAL YEARS 2025 AND 2026 ESTIMATES
(thousands of dollars)

	FY 2025 Budget	FY 2025 Revised	FY 2025 Change	FY 2026 Budget	FY 2026 Revised	FY 2026 Change
Major Revenues						
Sales Tax	\$13,748,307	\$13,776,591	\$28,284	\$14,464,308	\$14,464,308	\$0
Gross Income Tax	20,266,500	20,753,355	486,855	21,112,432	21,312,978	200,546
Energy Tax Receipts-Sales Tax	805,636	805,636	0	805,636	805,636	0
Sales Tax Dedication-PTRF	1,133,600	1,142,300	8,700	1,187,600	1,197,600	10,000
Sales-Energy	174,364	249,364	75,000	174,364	294,364	120,000
Sales Tax Dedication-General Fund	(1,111,600)	(1,119,400)	(7,800)	(1,165,600)	(1,174,700)	(9,100)
Corporate Transit Fee	1,023,000	785,612	(237,388)	867,528	813,919	(53,609)
Corporation Business	4,463,625	3,955,079	(508,546)	4,228,704	4,063,121	(165,583)
Corporation Business-Energy	16,416	16,416	0	8,806	8,806	0
Drone Excise Tax	0	0	0	5,000	5,000	0
Business Alternative Income Tax	4,043,007	4,504,352	461,345	4,158,454	4,465,068	306,614
Ammunition Excise Tax	0	0	0	3,200	3,200	0
Firearms Excise Tax	0	0	0	1,400	1,400	0
Motor Fuels	467,220	467,220	0	465,787	465,787	0
Transfer Inheritance	603,278	608,177	4,899	614,025	625,513	11,488
Motor Vehicle Fees	451,182	451,113	(69)	474,943	473,379	(1,564)
Casino Revenue Fund	642,157	651,942	9,785	989,910	1,005,096	15,186
Insurance Premium	620,000	610,000	(10,000)	650,000	640,000	(10,000)
Cigarette	0	0	0	10,708	0	(10,708)
Petroleum Products Gross Receipts	1,532,125	1,532,125	0	1,616,558	1,616,558	0
Petroleum Products Gross Receipts-Capital Reserves	(786,067)	(786,067)	0	(767,551)	(767,551)	0
Alcoholic Beverage Excise	153,371	152,880	(491)	174,396	171,490	(2,906)
Realty Transfer	497,458	518,333	20,875	512,382	533,883	21,501
Tobacco Products Wholesale Sales	46,100	45,728	(372)	58,605	56,855	(1,750)
Public Utility Excise (Reform)	22,000	22,000	0	22,000	22,000	0
Total Major Revenues	\$48,811,679	\$49,142,756	\$331,077	\$50,673,595	\$51,103,710	\$430,115
Miscellaneous Taxes, Fees, Revenues, Transfers						
Debt Defeasance and Prevention Fund	585,000	585,000	0	250,000	250,000	0
Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Fund	1,541	2,192	651	5,007	4,350	(657)
9-8-8 Mental Health Crisis and Suicide Prevention Hotline Fee	0	0	0	61,014	61,014	0
Health Service Corporation Reorganization Assessment	25,000	25,000	0	25,000	25,000	0
Warehouse Fee	0	0	0	20,000	20,000	0
Other Energy Taxes	140,000	140,000	0	165,000	165,000	0
Assessment on Real Property Greater Than \$1 Million	232,035	265,119	33,084	554,195	590,038	35,843
Medicaid Uncompensated Care	257,018	263,870	6,852	202,661	205,524	2,863
Hotel/Motel Occupancy Tax	148,405	148,759	354	152,616	152,297	(319)
Fringe Benefit Recoveries	1,512,717	1,519,884	7,167	1,538,516	1,438,868	(99,648)
Interfund Transfers	600,979	601,224	245	697,511	694,406	(3,105)
Casino Control	77,430	77,430	0	79,929	79,929	0
Gubernatorial Elections Fund	700	700	0	700	700	0
Other Miscellaneous	2,477,589	2,486,629	9,040	2,381,927	2,340,019	(41,908)
Total Miscellaneous Taxes, Fees, Revenues, Transfers	\$6,058,414	\$6,115,807	\$57,393	\$6,134,076	\$6,027,145	(\$106,931)
TOTAL STATE REVENUES	\$54,870,093	\$55,258,563	\$388,470	\$56,807,671	\$57,130,855	\$323,184

FY2025 Fund Balance

(In Millions)

	<u>July 1</u> <u>Approp. Act</u>	<u>Budget</u> <u>Revised</u>	<u>May</u> <u>Update</u>	<u>Change from</u> <u>Revised</u>
Opening Undesignated Surplus	\$ 8,247	\$ 8,819	\$ 8,819	\$ -
Open Space Reserve	58	331	331	-
Surplus Revenue Fund	306	322	322	-
Revenues				
Income	\$ 19,695	\$ 20,267	\$ 20,753	\$ 486
Sales	13,797	13,748	13,777	29
Corporate	4,338	4,464	3,955	(509)
Business Alternative Income Tax	4,340	4,043	4,504	461
Corporate Transit Fee	1,023	1,023	786	(237)
Other	11,315	11,325	11,483	158
Total Revenues	\$ 54,508	\$ 54,870	\$ 55,258	\$ 388
Lapses	-	1,624	1,694	70
Total Resources	\$ 63,119	\$ 65,966	\$ 66,424	\$ 458
Appropriations				
Original	\$ 56,686	\$ 56,686	\$ 56,686	\$ -
Supplemental	-	1,438	1,608	170
Total Appropriations	\$ 56,686	\$ 58,124	\$ 58,294	\$ 170
Open Space Reserve	(308)	(52)	(17)	35
Surplus Revenue Fund	-	-	-	-
Undesignated Fund Balance	\$ 6,125	\$ 7,790	\$ 8,113	\$ 323
Surplus Revenue Fund Balance	-	-	-	-
Combined Fund Balance	\$ 6,125	\$ 7,790	\$ 8,113	\$ 323

FY2025 Fund Balance - by Fund

(In Millions)

	-----As of FY 2026 May Update-----			
	GBM	General and Other Funds	Property Tax Relief Fund	Total
Opening Undesignated Surplus	\$ 8,819	\$ 8,819	\$ -	\$ 8,819
CBT Open Space Reserve	331	331	-	331
Surplus Revenue Fund	322	322	-	322
Revenues				
Income	\$ 20,267	\$ -	\$ 20,753	\$ 20,753
Sales	13,748	13,777	1,142	14,919
Corporate	4,464	3,955	-	3,955
Business Alternative Income Tax	4,043	4,504	-	4,504
Corporate Transit Fee	1,023	786	-	786
Other	11,325	10,341	-	10,341
Total Revenues	\$ 54,870	\$ 33,363	\$ 21,895	\$ 55,258
Lapses	1,624	1,634	60	1,694
Total Resources	\$ 65,966	\$ 44,469	\$ 21,955	\$ 66,424
Appropriations				
Original	\$ 56,686	\$ 36,027	\$ 20,659	\$ 56,686
Supplemental	1,438	1,344	264	1,608
Appropriation Flips between Funds	-	(1,032)	1,032	-
Total Appropriations	\$ 58,124	\$ 36,339	\$ 21,955	\$ 58,294
CBT Open Space Reserve	(52)	(17)	-	(17)
Surplus Revenue Fund	-	-	-	-
Undesignated Fund Balance	\$ 7,790	\$ 8,113	\$ -	\$ 8,113
Surplus Revenue Fund Balance	-	-	-	-
Combined Fund Balance	\$ 7,790	\$ 8,113	\$ -	\$ 8,113

Changes in FY2025 Lapses

(In Thousands)

Lapses as of FY2026 Governor's Budget Message	\$ 1,624,338
NJ FamilyCare - Trend	33,998
Higher Education Debt Service	17,152 *
Corporation Business Tax True-Up for Revised Revenues	9,847 *
Pharmaceutical Assistance for the Aged and Disabled - Trend	8,845
Workers' Compensation Self-Insurance Fund	8,154
Debt Service - MVC Surcharge Bonds	3,500
OIT Salary Surplus	3,001
DCF Salary Surplus	3,000
Treasury Salary Surplus	(4,399)
9-8-8 Mental Health Crisis and Suicide Prevention Hotline	(4,675)
Medical Malpractice Self-Insurance Fund	(9,530)
Miscellaneous < \$3 million	618
Total Increase/(Decrease)	69,511
Lapses as of May Update	<u><u>\$ 1,693,849</u></u>

* Offset by a reduction in revenue.

Changes in FY2025 Supplementals

(In Thousands)

Supplementals as of FY2026 Governor's Budget Message	\$ 1,438,468
ANCHOR - Trend	90,000
School District Deficit Relief Account	20,598
NJSMART	19,483 *
Children's System of Care - Trend	15,230
SEMI / MAC Administration	11,208 *
Gubernatorial Elections Fund - Primary Election	10,000
Alternate Benefits Program - Trend	6,960
Department of Education - Statewide Assessment Program	6,276
Early Voting Extension (P.L.2025, c.23)	6,000
General Assistance - Trend	4,475
Division of Child Protection and Permanency - Trend	3,138
Winter Operations	(7,387)
Utilities and Other Services - Trend	(8,134)
Social Security Tax - Higher Education Trend	(13,530)
Miscellaneous < \$3 million	5,601
Total Increase/(Decrease)	<u>169,918</u>
Supplementals as of May Update	<u><u>\$ 1,608,386</u></u>

* Offset by increased revenue.

FY2026 Revised Budget

(In Millions)

	FY2025	FY2026		
	May Update	GBM	May Update	Difference
Opening Undesignated Surplus	\$ 8,819	\$ 7,790	\$ 8,113	\$ 323
Open Space Reserve	331	52	17	(35)
Surplus Revenue Fund	322	-	-	-
Revenues				
Income	\$ 20,753	\$ 21,112	\$ 21,313	\$ 201
Sales	13,777	14,464	14,464	-
Corporate	3,955	4,229	4,063	(166)
Corporate Transit Fee	786	868	814	(54)
Business Alternative Income Tax	4,504	4,158	4,465	307
Other	11,483	11,977	12,012	35
Total Revenues	\$ 55,258	\$ 56,808	\$ 57,131	\$ 323
Lapses	1,694	-	-	-
Total Resources	\$ 66,424	\$ 64,650	\$ 65,261	\$ 611
Appropriations				
Original	\$ 56,686	\$ 58,054	\$ 58,361	\$ 307
Supplemental	1,608	-	-	-
Total Appropriations	\$ 58,294	\$ 58,054	\$ 58,361	\$ 307
Open Space Reserve	(17)	(291)	(245)	46
Surplus Revenue Fund	-	-	-	-
Undesignated Fund Balance	\$ 8,113	\$ 6,305	\$ 6,655	\$ 350
Surplus Revenue Fund Balance	-	-	-	-
Combined Fund Balance	\$ 8,113	\$ 6,305	\$ 6,655	\$ 350

FY2026 Revised Budget - by Fund

(In Millions)

	FY2025 May Update	-----FY2026-----		
		General and Other Funds	Property Tax Relief Fund	Total
Opening Undesignated Surplus	\$ 8,819	\$ 8,113	\$ -	\$ 8,113
CBT Open Space Reserve	331	17	-	17
Surplus Revenue Fund	322	-	-	-
Revenues				
Income	\$ 20,753	\$ -	\$ 21,313	\$ 21,313
Sales	13,777	14,464	1,198	15,662
Corporate	3,955	4,063	-	4,063
Corporate Transit Fee	786	814	-	814
Business Alternative Income Tax	4,504	4,465	-	4,465
Other	11,483	10,814	-	10,814
Total Revenues	\$ 55,258	\$ 34,620	\$ 22,511	\$ 57,131
Lapses	1,694	-	-	-
Total Resources	\$ 66,424	\$ 42,750	\$ 22,511	\$ 65,261
Appropriations				
Original	\$ 56,686	\$ 36,064	\$ 22,297	\$ 58,361
Supplemental	1,608	-	-	-
Appropriation Flips between Funds	-	(214)	214	-
Total Appropriations	\$ 58,294	\$ 35,850	\$ 22,511	\$ 58,361
CBT Open Space Reserve	(17)	(245)	-	(245)
Surplus Revenue Fund	-	-	-	-
Undesignated Fund Balance	\$ 8,113	\$ 6,655	\$ -	\$ 6,655
Surplus Revenue Fund Balance	-	-	-	-
Combined Fund Balance	\$ 8,113	\$ 6,655	\$ -	\$ 6,655

Changes in FY2026 Appropriations

(In Thousands)

Appropriations as of FY2026 Governor's Budget Message	\$ 58,054,292
Medicaid MCO Rate Increase and Trend	90,307
Medicaid - Health Care Subsidy Fund Revenue Shortfall	75,957
Arbitrage Rebate Payments	55,655
New Jersey Healthy Homes Program	20,000
Children's System of Care - Trend	19,155
General Assistance Program - Trend	11,474
Developmental Disabilities Community Programs - Trend	9,991
Health Care Subsidy Fund - Charity Care Increase	7,978
Alternate Benefit Program - Trend	7,100
State Psychiatric Hospitals - Operating Costs	3,300
State Police Building 15 Network Power Backup	3,000
Mental Health and Addiction Services Community Care Trend	1,415
Defined Benefit Pensions	1,254
Defined Contribution Retirement Program Trend	157
Senior Gold Prescription Discount Program - Trend	123
Appropriations as of May Update	<u>\$ 58,361,158</u>