

Gov. Chris Christie, Stephen Sweeney need N.J. tax-cut accord

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By

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While probable détente between Gov. Chris Christie and Senate President Steve Sweeney over a tax-cut program may strike some as bipartisanship at its finest, in reality it is a cold-eyed recogniy83- ioih0iy83- ih5.8(ihar)-6Gohad4a1.8533 20 s
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Gov. Chris Christie and state Senate President Stephen Sweeney

financing part of it by reinstating the surtax on the wealthy — the so-called millionaire's tax.

Why the Senate and Assembly Democrats failed to unite behind one idea isn't clear, but the point of divergence is the millionaires' tax. By clinging to its reinstatement, Assembly Democrats are fighting the last war. The outcome will be the same — they'll lose.

Their strategy plays directly into Christie's hands, teeing up his argument that Democrats are obstructionists, willing to block relief of any kind because they want to increase taxes. He will portray himself as a tax cutter and Democrats as tax raisers. He will repeatedly pound them as the party responsible for killing tax relief. It is an argument the Democrats cannot win.

Sweeney conceded as much when he said he did not include the millionaires' tax in own proposal because it is his goal to enact a tax cut this year, and the surtax idea would torpedo the effort. Christie, he pointed out, has already vetoed the surtax twice and has pledged to do it again.

Implicit in his comments is that any effort to use a veto of the millionaire's tax as a campaign issue will fail. Christie will have the more persuasive argument on his side; namely, that he fought to cut taxes while his legislative opponents fought to raise them.

There is a certain parallel between the governor's position and the strategy employed by President Barack Obama to force congressional Republicans into approving extension of the federal payroll tax holiday with the argument that failure to do so would amount to a tax increase for working Americans.

Just as Obama maneuvered the Republicans into a politically untenable position — a fact admitted by House Speaker John Boehner — so will Christie if confronted with a Democrat-approved millionaire's tax.

By embracing the concept behind the Sweeney proposal and leaving the details to later negotiations, Christie has portrayed himself as a reasonable person willing to compromise and engage in political give and take to achieve a greater goal.

Sweeney understands the enormous political benefit which will accrue to the Democratic Party if it produces tax relief its candidates can campaign on and convince voters that helping overburdened and economically-hurting middle-class New Jerseyans is their first concern.

His strategy is imperiled, though, by his Assembly colleagues' demands for reinstating the millionaires' tax. Will he be able to convince them that their opportunity to reap credit for tax relief is severely jeopardized by their position and the governor would be the ultimate winner in any showdown?

Sweeney acknowledges that in poll after poll the surtax reinstatement enjoys broad public support. But, he acknowledges also that public desire for property tax relief outweighs the desire for taxing the wealthy.

The Christie-Sweeney nuptials may be a shotgun wedding, but both realize that walking down the aisle together is preferable to walking the plank together.

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