

[ESPN.com: NBA](#)[\[Print without images\]](#)

Tuesday, July 11, 2006

Salary cap for 2006-07 season set at \$53.135M

By Chad Ford
ESPN Insider

Lawyers for the league and the players' association had been working nearly around the clock for the past week counting revenues in order to calculate this year's salary cap. NBA teams received word late Tuesday on the new numbers.

The 2006-07 salary cap will be set at \$53.135 million, an increase of \$3.6 million from last season.

The luxury tax threshold will be \$65.42 million, up \$3.7 million from the \$61.7 million threshold last season. Teams with payrolls over that will have to pay a dollar-for-dollar tax on the amount of their payroll that exceeds the \$65 million.

The luxury tax threat seems to be working. As it stands right now, only one team, the Knicks, are way over the luxury tax threshold. The Knicks are projected to have a payroll of more than \$109 million next year -- putting them more than \$44 million over the tax threshold!

Two other teams, the Warriors and the Mavs, are projected to be just barely over. Every other team in the league is projected to be under the threshold barring more free-agent spending this summer.

With the new cap set, the NBA moratorium on free-agent signings and player movement will be lifted at 12.01 a.m. Wednesday. Free agents signing under the mid-level exception, which can offered by teams that are over the salary cap, can sign contracts beginning at \$5.215 million annually.

Players like Yao Ming and Amare Stoudemire who signed max rookie extension contracts last summer found out what their starting numbers would be next season. Players with less than seven years of experience in the league can have a contract start at the maximum of \$12.45 million this season.

Players with seven to nine years of experience can have a contract that starts at \$14.94 million. For players with 10 or more years of experience, the max starting salary is \$17.43 million.

The Hawks, Bobcats, Bulls, Clippers, Hornets, Raptors and Jazz are the only teams to have significant salary cap room this summer. For the most part it's all been spent.

- The Bulls spent most of their \$17 million in cap room on free agent Ben Wallace, giving him a deal that starts at roughly \$14 million per.

- The Clippers spent the majority of their \$9 million in cap room re-signing Sam Cassell and signing free agent Tim Thomas.

NBA Salary Cap History

	CAP	AVG. SALARY
1984-85	\$3.6 million	\$330,000
1985-86	\$4.2 million	\$382,000
1986-87	\$4.9 million	\$431,000
1987-88	\$6.2 million	\$502,000
1988-89	\$7.2 million	\$575,000
1989-90	\$9.8 million	\$717,000
1990-91	\$11.9 million	\$927,000
1991-92	\$12.5 million	\$1.1 million
1992-93	\$14.0 million	\$1.3 million
1993-94	\$15.1 million	\$1.5 million
1994-95	\$15.9 million	\$1.8 million
1995-96	\$23.0 million	\$2.0 million
1996-97	\$24.4 million	\$2.3 million
1997-98	\$26.9 million	\$2.6 million
1998-	\$30.0 million	\$3.0 million

• The Hornets spent their \$17.5 million fortune on free agents Peja Stojakovic and Bobby Jackson.	99		
	1999-00	\$34.0 million	\$3.6 million
• The Jazz used all of their \$6.5 million in room to re-sign Matt Harpring.	2000-01	\$35.5 million	\$4.2 million
Still, there's some money left to spend.	2001-02	\$42.5 million	\$4.5 million
The Bobcats have been eerily quiet despite the fact that they have more cap room (\$25 million) than any team in the league. The Bobcats will have to spend more than \$12 million to get to the league minimum salary cap of \$39.85 million.	2002-03	\$40.27 million	\$4.546 million
	2003-04	\$43.84 million	\$4.917 million
The Hawks are expected to sign Speedy Claxton to a four-year contract but still have roughly \$12 million in room if they don't do a sign-and-trade for Al Harrington.	2004-05	\$43.87 million	\$4.9 million
	2005-06	\$49.5 million	\$5 million
The Raptors are expected to sign a couple Euroleague veterans: Spanish forward Jorge Garbajosa and American swingman Anthony Parker. But that should only take roughly \$6 million of the \$12.4 million they have under the cap.	2006-07	\$53.135 million	\$5.215 million

Chad Ford covers the NBA for ESPN Insider.
