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Controller Releases November Cash Update

SACRAMENTO – State Controller John Chiang today released his monthly report covering California's cash balance, receipts and disbursements in November 2013. Revenues for the month totaled \$6.0 billion, missing estimates in the state budget by \$375.6 million, or 5.9 percent. This was caused, in large part, by timing issues associated with the Thanksgiving holiday and the "Black Friday" weekend occurring at the end of November. That resulted in \$440 million of sales tax revenue from November sales not being collected and recorded until the first few days of December.

Even without this \$440 million, revenues collected during the first five months of the fiscal year totaled \$31.4 billion, beating year-to-date estimates by \$228.1 million. State spending for same period was down \$126.3 million from estimates.

"Revenue collections through the first five months of this fiscal year provide us with millions of reasons to be cautiously optimistic about California's near-term fiscal outlook," said Chiang. "However, unless we remain disciplined with our spending and pay down the billions of debt accrued during the Great Recession, even a modest swing in our economy could return us to deficit budgets."

Sales tax receipts were significantly impacted by timing issues at the end of the month. November collections appeared down \$398.3 million (13.3 percent), but that was caused by \$440 million in late deposits that were credited to December.

The State did see a jump in corporate tax refunds in November, pushing the balance for corporate receipts down to -\$138.6 million (A negative number for any tax program indicates that tax refunds exceeded tax receipts for that month). Personal income taxes for November came in \$8.9 million below (0.3 percent) estimates. While personal income tax collections exceeded projections, they were more than offset by higher-than-anticipated refunds.

The State ended the month with a General Fund cash deficit of \$19.6 billion, which was covered with both internal and external borrowing. That figure was down from last year, when the State faced a cash deficit of \$24.9 billion at the end of November 2012.

For more details on today's report, read the [report](#) and [press release](#).

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