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Controller Releases December Cash Update

SACRAMENTO - State Controller John Chiang today released his monthly report covering California's cash balance, receipts and disbursements in December 2013. Revenues for the month totaled \$10.6 billion, surpassing estimates in the state budget by \$2.3 billion, or 27.7 percent.

Total revenues for the fiscal year-to-date were \$2.5 billion ahead (6.4 percent) of budget estimates.

"Revenues for the first half of the fiscal year are well ahead of estimates and reflect a surging economy fueled by a boom in technology, rising exports, improving consumer confidence, and a new housing upswing," said Chiang. "However, our State's history of boom and bust revenue cycles calls for disciplined spending that emphasizes paying-off debt accumulated throughout the Great Recession. The best way to avoid gut-wrenching cuts tomorrow is to avoid indiscriminate spending today."

December sales tax receipts got a boost resulting from "Black Friday" weekend falling at the very end of the month of November. As a result of this timing anomaly, approximately \$400 million in retail activity that actually took place in November was not officially booked until the first days of December. Even without this anomaly, sales tax collections exceeded projections by more than \$ 700 million. Total sales tax for the month was \$1.1 billion above estimates (178.7 percent).

Personal income taxes for December came in \$987.5 million above (16.5 percent) estimates. December corporate tax receipts were \$188.8 million above estimates (16.5 percent) for the month.

The State ended the month with a General Fund cash deficit of \$18.3 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 \$24.2 billion at the end of December 2012.

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

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