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PR05: 028

FOR IMMEDIATE RELEASE:
SEPTEMBER 8, 2005

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Westly's Cash Receipt Update Shows Modest Growth

SACRAMENTO – State Controller Steve Westly announced today that state revenues for the first two months of the fiscal year are up 2.9 percent above 2005-06 budget estimates, a more than \$306 million increase.

“Even if we sustain modest growth in revenue, California will still face another budget shortfall,” Westly said. “The Governor is distracted by his special election and failing to provide a plan that truly reduces the budget gap. We need action now.”

Retail sales and use taxes for the month of August came in at \$3.5 billion, 1.2 percent higher than estimates. Personal income taxes totaled \$2.8 billion, a 9.0 percent increase over estimates. Corporation taxes yielded \$118.7 million, 43.2 percent below estimates.

According to the State Controller's monthly General Fund Cash Basis Revenue Report, total revenues for the first two months were up 12.4 percent over the same period last fiscal year, a more than 1.2 billion dollar increase.

Excerpt of report follows.

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General Fund Cash Basis Revenues for the Month of August 2005 *
Comparison of Actual Amounts to 2005-2006 Budget Act Estimate
 In thousands

	Month of August		Actual Over or (Under) Estimate	
	Actual	Budget Act Estimate	Amount	%
Alcoholic Beverage Excise Tax	28,710	26,000	2,710	10.4
Corporation Tax	118,672	209,000	(90,328)	(43.2)
Cigarette Tax	3,118	10,000	(6,882)	(68.8)
Estate, Inheritance, and Gift Tax	25,540	23,000	2,540	11.0
Insurance Companies Tax	29,969	10,000	19,969	199.7
Personal Income Tax	2,815,620	2,584,000	231,620	9.0
Retail Sales and Use Taxes	3,537,141	3,496,000	41,141	1.2
Pooled Money Investment Interest	27,877	22,000	5,877	26.7
Not Otherwise Classified	557,024	616,000	(58,976)	(9.6)
Total Revenues	7,143,671	6,996,000	147,671	2.1

General Fund Cash Basis Revenues for the Fiscal Year through August 2005 *
Comparison of Actual Amounts to 2005-06 Budget Act Estimate
 In thousands

	July 1 through August 31		Actual Over or (Under) Estimate	
	Actual	Budget Act Estimate	Amount	%
Alcoholic Beverage Excise Tax	56,428	56,000	428	0.8
Corporation Tax	383,877	484,000	(100,123)	(20.7)
Cigarette Tax	15,291	20,000	(4,709)	(23.5)
Estate, Inheritance, and Gift Tax	45,944	46,000	(56)	(0.1)
Insurance Companies Tax	45,238	39,000	6,238	16.0
Personal Income Tax	5,320,306	4,998,000	322,306	6.4
Retail Sales and Use Taxes	4,415,585	4,282,000	133,585	3.1
Pooled Money Investment Interest	62,751	43,000	19,751	45.9
Not Otherwise Classified	614,232	685,000	(70,768)	(10.3)
Total Revenues	10,959,652	10,653,000	306,652	2.9

* This information is based upon funded cash. Funded cash is cash reported to and recorded in the records of the State Controller's Office. Amounts reported as funded cash may differ from amounts in other reports to the extent there are timing differences in the recording of in-transit items.

-More-

General Fund Cash Basis Revenues for the Month of August 2005 *
Comparison of August 2005 to August 2004

In thousands

	Month of August		Comparison	
	2005	2004	Amount	%
Alcoholic Beverage Excise Tax	28,710	26,353	2,357	8.9
Corporation Tax	118,672	157,015	(38,343)	(24.4)
Cigarette Tax	3,118	7,153	(4,035)	(56.4)
Estate, Inheritance, and Gift Tax	25,540	47,992	(22,452)	(46.8)
Insurance Companies Tax	29,969	15,075	14,894	98.8
Personal Income Tax	2,815,620	2,470,250	345,370	14.0
Retail Sales and Use Taxes	3,537,141	2,829,447	707,694	25.0
Pooled Money Investment Interest	27,877	13,426	14,451	107.6
Not Otherwise Classified	557,024	136,717	420,307	307.4
Total Revenues	7,143,671	5,703,428	1,440,243	25.3

General Fund Cash Basis Revenues for the Fiscal Year through August 2005 *
Comparison of Fiscal Year 2005-06 to 2004-05

In thousands

	July 1 through August 31		Comparison	
	2005	2004	Amount	%
Alcoholic Beverage Excise Tax	56,428	57,113	(685)	(1.2)
Corporation Tax	383,877	486,989	(103,112)	(21.2)
Cigarette Tax	15,291	23,042	(7,751)	(33.6)
Estate, Inheritance, and Gift Tax	45,944	118,359	(72,415)	(61.2)
Insurance Companies Tax	45,238	35,001	10,237	29.2
Personal Income Tax	5,320,306	4,971,875	348,431	7.0
Retail Sales and Use Taxes	4,415,585	3,813,190	602,395	15.8
Pooled Money Investment Interest	62,751	23,997	38,754	161.5
Not Otherwise Classified	614,232	224,481	389,751	173.6
Total Revenues	10,959,652	9,754,047	1,205,605	12.4

* This information is based upon funded cash. Funded cash is cash reported to and recorded in the records of the State Controller's Office. Amounts reported as funded cash may differ from amounts in other reports to the extent there are timing differences in the recording of in-transit items.

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