



Betty T. Yee

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CA Controller's July Cash Report Shows Revenues Well Short of Budget Projections

SACRAMENTO—July state revenues came in below projections in the 2016-17 Budget Act approved the previous month by \$591.3 million, or 9.8 percent, with all three of the state's main revenue sources falling short of expectations for the first month of the fiscal year, State Controller Betty T. Yee reported today.

Retail sales and use taxes missed the mark by the widest margin. Estimated at \$907.9 million, they came in at just \$694.5 million—23.5 percent, or \$213.5 million, lower.

Personal income tax receipts of \$4.39 billion were \$323.3 million lower than anticipated in the Budget Act, missing estimates by 6.9 percent. Corporation tax receipts of \$227.3 million were \$49.5 million below estimates, or 17.9 percent.

"The declines in all three revenue categories may be attributable to the slower rate of job growth when compared to 2015," said Controller Yee, the state's chief fiscal officer. "However, we should exercise caution by further examining and understanding the possible causes of the revenue shortfalls, as a one-month snapshot is not indicative of an economic trend."

Total disbursements of \$10.42 billion were \$33.2 million lower than projected. The state ended the month of July with unused borrowable resources of \$30.37 billion, which was \$1.38 billion more than expected in the 2016-17 Budget Act. Outstanding loans of \$5.63 billion were \$545.5 million higher than projected. This loan balance consists of borrowing from the state's internal special funds.

For more details, read the [monthly cash report](#). With fire season upon us, the Controller's August [California Fiscal Focus](#) newsletter breaks down the costs of preventing and fighting wildfires in the Golden State.

As the chief fiscal officer of California, Controller Yee is responsible for accountability and disbursement of the state's financial resources. The Controller also safeguards many types of property until claimed by the rightful owners, and has independent auditing authority over government agencies that spend state funds. She is a member of numerous financing authorities, and fiscal and financial oversight entities including the Franchise Tax Board. She also serves on the boards for the nation's two largest public pension funds. Elected in 2014, Controller Yee is the tenth woman elected to a statewide office in California's history. Follow the Controller on Twitter at [@CAController](#) and on Facebook at [California State Controller's Office](#).

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