



Betty T. Yee

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CA Controller Reports Revenues \$2.68 Billion Short of 2016-17 Budget Act

SACRAMENTO—California total revenues of \$16.63 billion for June fell short of projections in the governor's revised budget released two months ago by 2.5 percent, State Controller Betty T. Yee reported today.

The 2017-18 fiscal year began July 1. For the fiscal year that ended June 30, total revenues of \$121.91 billion missed May Revision estimates by \$295.7 million, or 0.2 percent. The fiscal year total was \$2.68 billion lower than anticipated in the 2016-17 budget signed last summer, with all of the "big three" revenue sources missing the mark.

For June, personal income tax (PIT) receipts of \$10.94 billion were \$161.0 million shy of May estimates, or 1.5 percent. For the fiscal year, PIT receipts of \$82.72 billion were \$1.05 billion lower than projections in the FY 2016-17 Budget Act, but lagged May estimates by just \$196.3 million, or 0.2 percent.

June corporation tax receipts of \$2.42 billion were \$344.4 million lower than anticipated in the May Revision, or 12.5 percent. The fiscal year total of \$10.11 billion in corporation taxes was \$885.6 million lower than FY 2016-17 Budget Act projections and \$283.1 million less than expected in the May Revision.

Retail sales and use tax receipts of \$2.32 billion for June were \$57.2 million, or 2.5 percent, higher than May estimates. For FY 2016-17, total sales tax receipts of \$24.71 billion missed the original Budget Act projections by \$1.03 billion; they topped May Revision assumptions by \$126.7 million, or 0.5 percent.

California has not pursued external borrowing since FY 2014-15. The state ended last fiscal year with unused borrowable resources of \$36.98 billion, which was \$3.99 billion more than predicted in the governor's May Revision. Outstanding loans of \$4.84 billion were \$1.64 billion lower than the Department of Finance's May estimates. This loan balance consists of borrowing from the state's internal special funds.

For more details, read the [monthly cash report](#) and this month's edition of the Controller's [California Fiscal Focus newsletter](#), which looks at the future of the cap-and-trade program 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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