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CA Controller Reports 2018 State Revenues Behind February Estimates, Ahead for Fiscal Year

SACRAMENTO — California's total revenues of \$6.51 billion for February were slightly lower than estimates in the governor's 2018-19 proposed budget by 6.3 percent, and under 2017-18 Budget Act projections by 8.7 percent, State Controller Betty T. Yee reported today.

For the fiscal year overall, the "big three" sources of General Fund revenue, personal income tax (PIT), retail sales and use tax, and corporation tax, are beating estimates in the enacted budget. For the first eight months of the 2017-18 fiscal year, total revenues of \$81.07 billion are 3.1 percent higher than expected in the January budget proposal, 6.0 percent above the enacted budget's assumptions, and 10.6 percent higher than the same period in 2016-17.

For February, PIT receipts of \$2.99 billion were 14.4 percent below the proposed budget's projections. The decrease of \$505 million in February's PIT revenues is due to the net impact of lower receipts and higher refunds, which were \$293 million above estimates in the governor's proposed budget. For the fiscal year, PIT receipts are higher than anticipated in the 2017-18 Budget Act by \$2.92 billion.

Corporation taxes for February of \$164.3 million were 23.1 percent higher than expected in the proposed budget. For the fiscal year to date, total corporation tax receipts are 28.1 percent above assumptions in the 2017-18 Budget Act.

Sales tax receipts of \$3.24 billion for February were \$22.6 million higher than anticipated in the governor's budget proposal unveiled in January. For the fiscal year, sales tax receipts are \$421.6 million higher than the enacted budget's expectations.

Unused borrowable resources through February exceeded revised projections by 28.3 percent. Outstanding loans of \$9.72 billion were 27.9 percent less than the 2018-19 proposed budget assumed the state would need by the end of February. The loans were financed entirely by borrowing from internal state funds.

For more details, read the [monthly cash report](#). The Controller's [California Fiscal Focus](#) newsletter this month explores the relationship between accounting standards and state retiree health care liabilities reporting, and discusses the evolution of state and federal earned income tax credits.

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 [@CACController](#) and on Facebook at [California State Controller's Office](#).



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