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**FOR IMMEDIATE RELEASE:
NOVEMBER 12, 2004**

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Westly: Revenues Up \$2 Billion Over Last Year

SACRAMENTO – State Controller Steve Westly announced today that state revenues for the first four months of the fiscal year are up 9.9 percent over the same period last year, a \$2 billion increase.

“California’s revenues are performing like ‘The Incredibles,’ but even the best movie magic can’t solve our structural deficit,” Westly said. “Revenues are up – but costs are also up. We still have tough choices ahead of us.”

July through October revenues showed gains compared to the same four months last fiscal year. Retail sales and use taxes were 3.8 percent higher; personal income taxes were 9.1 percent higher; and corporation taxes were 32.4 percent higher.

Retail sales and use taxes came in at \$2.59 billion this year, \$245.4 million above the same period last fiscal year. Personal income taxes generated \$11.69 billion, \$971.8 million above last year. Corporation taxes yielded \$2.59 billion, \$634.1 million above last year.

Actual revenues to date for the current fiscal year are \$1.036 billion higher than forecast in the current budget, an increase of 4.9 percent.

Excerpt of revenue report follows.

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STATE CONTROLLER'S OFFICE
GENERAL FUND REVENUE
A comparison of Fiscal Years 2004-05 to 2003-04
(Amount in thousands)

<u>Revenue</u>	Fiscal Year 2004-05				Total
	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	
Alcoholic Beverage Excise Tax	30,760	26,353	26,329	26,320	109,762
Corporation Tax	329,974	157,015	1,735,689	366,069	2,588,747
Cigarette Tax	15,889	7,153	8,376	10,699	42,117
Estate, Inheritance, and Gift Tax	70,367	47,992	56,525	41,386	216,270
Insurance Companies Tax	19,926	15,075	469,721	21,210	525,932
Personal Income Tax	2,501,625	2,470,250	4,060,459	2,657,548	11,689,882
Retail Sales and Use Taxes	983,743	2,829,447	2,011,596	849,943	6,674,729
Pooled Money Investment Interest	10,571	13,426	-	7,186	31,183
Not Otherwise Classified	87,764	136,717	73,873	120,758	419,112
Total	4,050,619	5,703,428	8,442,568	4,101,119	22,297,734

<u>Revenue</u>	Fiscal Year 2003-04				Total
	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	
Alcoholic Beverage Excise Tax	32,070	25,241	24,706	28,466	110,483
Corporation Tax	252,030	116,949	1,324,830	260,836	1,954,645
Cigarette Tax	10,452	12,892	7,742	8,023	39,109
Estate, Inheritance, and Gift Tax	59,763	42,448	49,572	59,208	210,991
Insurance Companies Tax	18,219	14,255	423,612	17,224	473,310
Personal Income Tax	2,325,968	2,245,564	3,688,587	2,457,983	10,718,102
Retail Sales and Use Taxes	898,649	2,816,615	1,790,113	923,976	6,429,353
Pooled Money Investment Interest	11,137	9,801	15,730	2,167	38,835
Not Otherwise Classified	102,871	50,604	105,856 *	63,888	323,219
Total	3,711,159	5,334,369	7,430,748	3,821,771	20,298,047

<u>Revenue</u>	Comparison				Total
	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	
Alcoholic Beverage Excise Tax	(1,310)	1,112	1,623	(2,146)	(721)
Corporation Tax	77,944	40,066	410,859	105,233	634,102
Cigarette Tax	5,437	(5,739)	634	2,676	3,008
Estate, Inheritance, and Gift Tax	10,604	5,544	6,953	(17,822)	5,279
Insurance Companies Tax	1,707	820	46,109	3,986	52,622
Personal Income Tax	175,657	224,686	371,872	199,565	971,780
Retail Sales and Use Taxes	85,094	12,832	221,483	(74,033)	245,376
Pooled Money Investment Interest	(566)	3,625	(15,730)	5,019	(7,652)
Not Otherwise Classified	(15,107)	86,113	(31,983)	56,870	95,893
Total	339,460	369,059	1,011,820	279,348	1,999,687

<u>Revenue</u>	2004 Over/Under 2003 %				<u>Total</u>
	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	
Alcoholic Beverage Excise Tax	(4.1)	4.4	6.6	(7.5)	(0.7)
Corporation Tax	30.9	34.3	31.0	40.3	32.4
Cigarette Tax	52.0	(44.5)	8.2	33.4	7.7
Estate, Inheritance, and Gift Tax	17.7	13.1	14.0	(30.1)	2.5
Insurance Companies Tax	9.4	5.8	10.9	23.1	11.1
Personal Income Tax	7.6	10.0	10.1	8.1	9.1
Retail Sales and Use Taxes	9.5	0.5	12.4	(8.0)	3.8
Pooled Money Investment Interest	(5.1)	37.0	(100.0)	231.6	(19.7)
Not Otherwise Classified	(14.7)	170.2	(30.2)	89.0	29.7
Total	9.1	6.9	13.6	7.3	9.9

* Excludes 2,263,609 received on 09/30/03 from the issuance of Tobacco Securitization Bonds.

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