California year-to-date revenues beat forecast by $13.8 billion

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The California Department of Finance had some good news for lawmakers grappling with the impacts of the COVID-19 pandemic.

The state is besting the revenue forecasts from the delayed August fiscal year 2020-21 budget forecast, the DOF reported.

November revenues came in $2.4 billion above the budget act forecast; for fiscal year to date, they're up $13.8 billion, according to DOF Director Keely Bosler’s monthly revenue report for December.

California will have more revenue breathing room than anticipated as the state’s leaders turn their attention to fiscal year 2021-22. Bloomberg News
The preliminary cash receipts for the first five months of the fiscal year were $13.8 billion above the 2020-21 budget act forecast of $60.7 billion, according to Bosler’s report.

For the month, cash receipts were $2.4 billion above the $8 billion anticipated for November in the state budget.

General fund agency receipts for the entire 2019-20 fiscal year came in $1.1 billion above what was expected in the 2020-21 budget.

Revenues grew by 0.4% in fiscal 2019-20, down significantly from the 5.7% revenue growth the state has experienced over the last ten years, according to the report.

The state’s three largest sources of general fund revenues — personal income tax, sales and use tax and corporation tax — all beat expectations in the 2020-21 budget forecast for the first five months of fiscal year 2020-21.

Personal income tax cash receipts came in $10.3 billion above forecast; sales and tax cash receipts came in $3 billion ahead; and corporation tax receipts were $714 ahead of the forecast for the first five months of fiscal 2021.

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