



Finance Bulletin

Joe Stephenshaw, Director

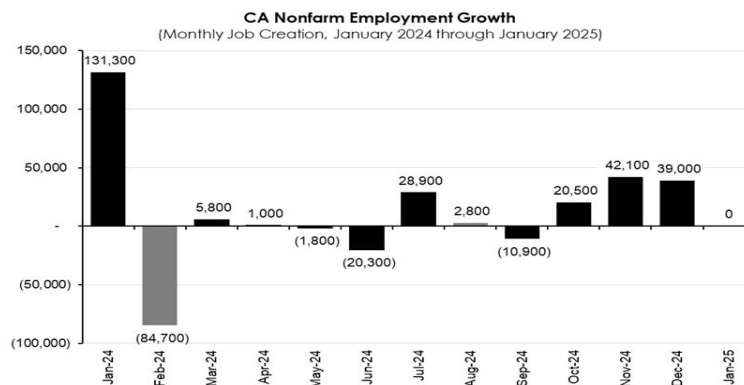
Economic Update

U.S. headline inflation ticked down 0.2 percentage point from January to 2.8 percent year-over-year in February 2025. Core inflation—which excludes food and energy—fell to 3.1 percent year-over-year while shelter inflation—which includes owners' equivalent rent and residential rent—inched down from 4.4 percent in January to 4.2 percent in February.

U.S. merchandise exports in January 2025 totaled just over \$164 billion, down 1.2 percent from December but up 2.1 percent from January 2024. U.S. merchandise imports in January 2025 totaled \$317.3 billion, up 11.4 percent from December and also up 25 percent from January 2024. California merchandise exports in January 2025 totaled \$14.9 billion, down 0.2 percent from December 2024 but up 7.8 percent from January 2024. California merchandise imports in January 2025 totaled \$43.2 billion, up 2.3 percent from December 2024 and up 16.9 percent from January 2024.

LABOR MARKET CONDITIONS

- The U.S. unemployment rate increased by 0.1 percentage point from January to 4.1 percent in February as the decrease in household employment (-588,000 persons) surpassed the decrease in the labor force (-385,000 persons). The nation added 151,000 nonfarm payroll jobs in February with 9 of the 11 sectors gaining jobs: private education and health services (73,000 jobs), trade, transportation, and utilities (21,000 jobs), financial activities (21,000 jobs), construction (19,000 jobs), government (11,000 jobs), manufacturing (10,000 jobs), mining and logging (5,000 jobs), information (5,000 jobs), and other services (4,000 jobs). Two sectors shed jobs: leisure and hospitality (-16,000 jobs) and professional and business services (-2,000 jobs).
- California's unemployment rate decreased by 0.1 percentage point from December to 5.4 percent in January 2025, as the increase in employment (17,600 persons) was larger than the labor force increase (11,300 persons). California nonfarm payroll employment had no net changes in January. Five sectors added jobs, led by private education and health services (18,500), followed by other services (1,900), manufacturing (1,600), government (1,600), and leisure and hospitality (1,000). The gains were offset by losses in trade, transportation, and utilities (-14,200), information (-3,900), financial activities (-2,800), professional and business services (-2,000), and construction (-1,700). Mining and logging employment was unchanged.



BUILDING ACTIVITY

- In January 2025, California permitted 96,600 housing units (SAAR), 3.3 percent lower than December 2024 and down 2.5 percent from January 2024. Total units permitted in January consisted of nearly 70,000 single-family units and 26,700 multi-family units, up 3.8 percent and down 16 percent from the previous year, respectively.
- The statewide median sale price of existing single-family homes decreased to \$838,850 in January 2025, down 2.6 percent from \$861,020 in December 2024, but up 6.3 percent from \$789,480 in January 2024. Sales of existing single-family homes in California were 254,110 (SAAR) in January 2025, down 10 percent from December 2024, and also down 1.9 percent from January 2024.

MONTHLY CASH REPORT

Preliminary General Fund agency cash receipts were \$2.3 billion, or 24.9 percent, above the Governor's Budget forecast in February, and \$4.6 billion, or 3.8 percent, above the fiscal year-to-date forecast. The fiscal year-to-date overage was the result of higher receipts from personal income tax (up \$3.1 billion due to a \$3.2 billion overage in withholding), other revenues (up \$1.5 billion), and corporation tax (up \$111 million), partially offset by lower-than-expected sales tax receipts (down \$263 million). The Governor's Budget forecast was finalized in late November and did not incorporate the delayed tax deadlines for Los Angeles County taxpayers. Notably, the fourth quarter personal income tax estimated payments deadline of January 15 was delayed to October 15 and fourth quarter sales tax payments for smaller businesses were delayed from January 31 to April 30 for Los Angeles County taxpayers.

- Personal income tax cash receipts were \$1 billion, or 22.1 percent, above forecast in February and \$3.1 billion, or 4.1 percent, above the fiscal year-to-date forecast. The fiscal year-to-date overage was due entirely to withholding being \$3.2 billion above forecast. Refunds were \$224 million lower than projected in February and \$938 million, or 8.2 percent, below the fiscal year-to-date forecast. Estimated, final, and miscellaneous payments were \$68 million below forecast in February, and \$959 million below the fiscal year-to-date forecast. Some of the fiscal year-to-date shortfall is attributable to estimated payments shifting from January to October as a result of the delayed deadlines for Los Angeles County.
- Corporation tax cash receipts were \$296 million, or 393.5 percent, above forecast in February, and \$111 million, or 0.6 percent, above the fiscal year-to-date forecast. February is not a significant month for corporation tax. The overage in February was due to lower refunds of \$330 million. Corporate refunds are volatile from month to month, so variance in a single month is generally not indicative of a trend.
- Preliminary sales and use tax receipts were \$167 million, or 3.9 percent, below forecast in February and \$263 million, or 1.1 percent, below the fiscal year-to-date forecast. February receipts included a portion of the final payment for calendar year 2024 fourth quarter taxable sales, which were due January 31 for taxpayers without a delayed deadline.
- Other revenues were \$1 billion above forecast in February and are \$1.5 billion, or 218.6 percent, above the fiscal year-to-date forecast, due primarily to higher federal cost recovery collections for disasters in prior years.

2024-25 Comparison of Actual and Forecast Agency General Fund Revenues (Dollars in Millions)

Revenue Source	FEBRUARY 2025				2024-25 YEAR-TO-DATE			
	Forecast	Actual	Difference	Percent Difference	Forecast	Actual	Difference	Percent Difference
Personal Income	\$4,624	\$5,648	\$1,024	22.1%	\$75,324	\$78,443	\$3,120	4.1%
Withholding	7,860	8,747	887	11.3%	65,585	68,777	3,192	4.9%
Estimated Payments	235	221	-14	-6.0%	14,869	14,211	-658	-4.4%
Final Payments	241	291	50	20.8%	3,402	3,409	7	0.2%
Other Payments	418	314	-104	-24.8%	4,355	4,046	-309	-7.1%
Refunds	-4,041	-3,817	224	-5.5%	-11,423	-10,486	938	-8.2%
MHSF Transfer	-83	-101	-18	22.1%	-1,349	-1,405	-56	4.1%
Corporation	\$75	\$372	\$296	393.5%	\$17,850	\$17,961	\$111	0.6%
Estimated Payments	280	275	-5	-1.9%	9,728	9,709	-19	-0.2%
PTET Payments	121	108	-13	-10.9%	9,415	9,150	-265	-2.8%
Other Payments	308	293	-15	-5.0%	3,039	3,156	118	3.9%
Refunds	-634	-304	330	-52.1%	-4,332	-4,054	277	-6.4%
Sales & Use	\$4,345	\$4,178	-\$167	-3.9%	\$23,059	\$22,796	-\$263	-1.1%
Insurance	\$65	\$61	-\$5	-7.2%	\$2,077	\$2,092	\$14	0.7%
Pooled Money Interest	\$163	\$323	\$159	97.5%	\$2,117	\$2,214	\$97	4.6%
Alcohol	\$27	\$27	\$0	-0.6%	\$289	\$285	-\$3	-1.2%
Tobacco	\$2	\$3	\$1	33.1%	\$25	\$25	\$0	0.1%
Other	\$48	\$1,070	\$1,022	2129.3%	\$689	\$2,194	\$1,505	218.6%
Total	\$9,351	\$11,680	\$2,330	24.9%	\$121,431	\$126,011	\$4,580	3.8%

This is an agency cash report and the data may differ from the Controller's report to the extent that cash received by agencies has not yet been reported to the Controller. The personal income total includes Individual Shared Responsibility Penalty transfers. The forecast is from the 2025-26 Governor's Budget.

Figure 1

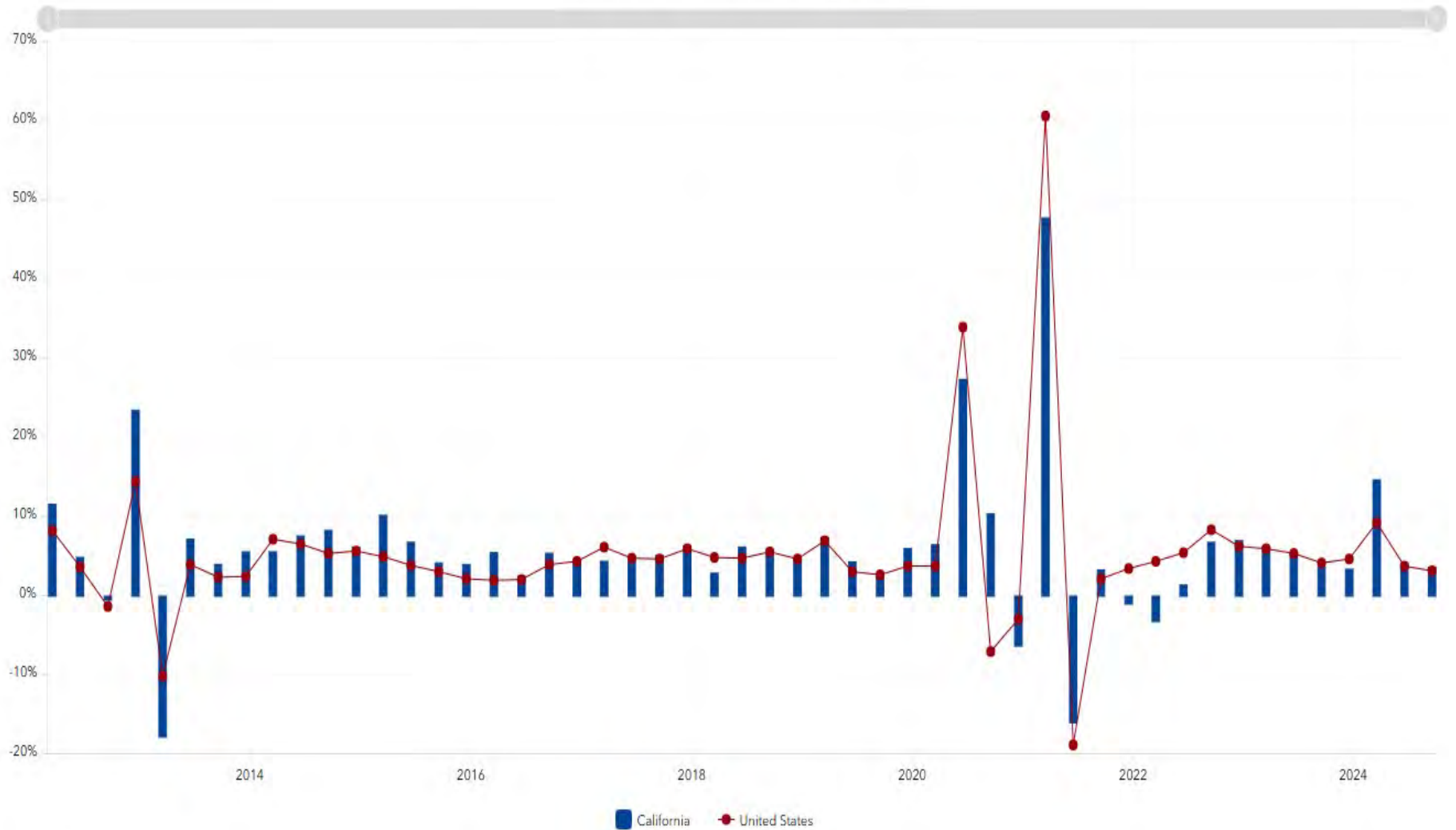
Quarterly GDP Growth
Seasonally Adjusted Annualized Rate (%)



Source: Bureau of Economic Analysis (BEA)

Figure 2

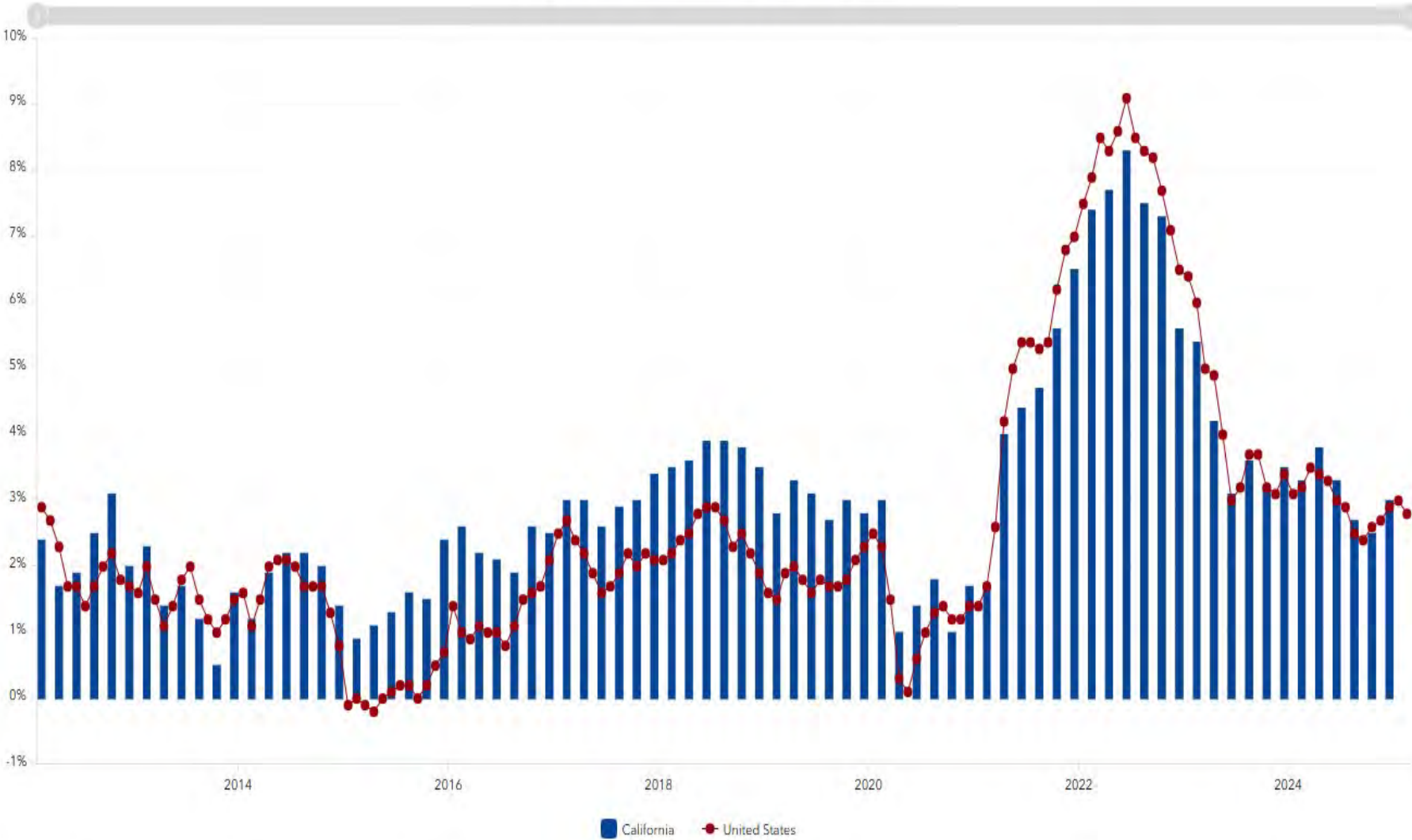
Personal Income Growth Rates
Seasonally Adjusted Annualized Rate (SAAR)



Source: Bureau of Economic Analysis (BEA)

Figure 3

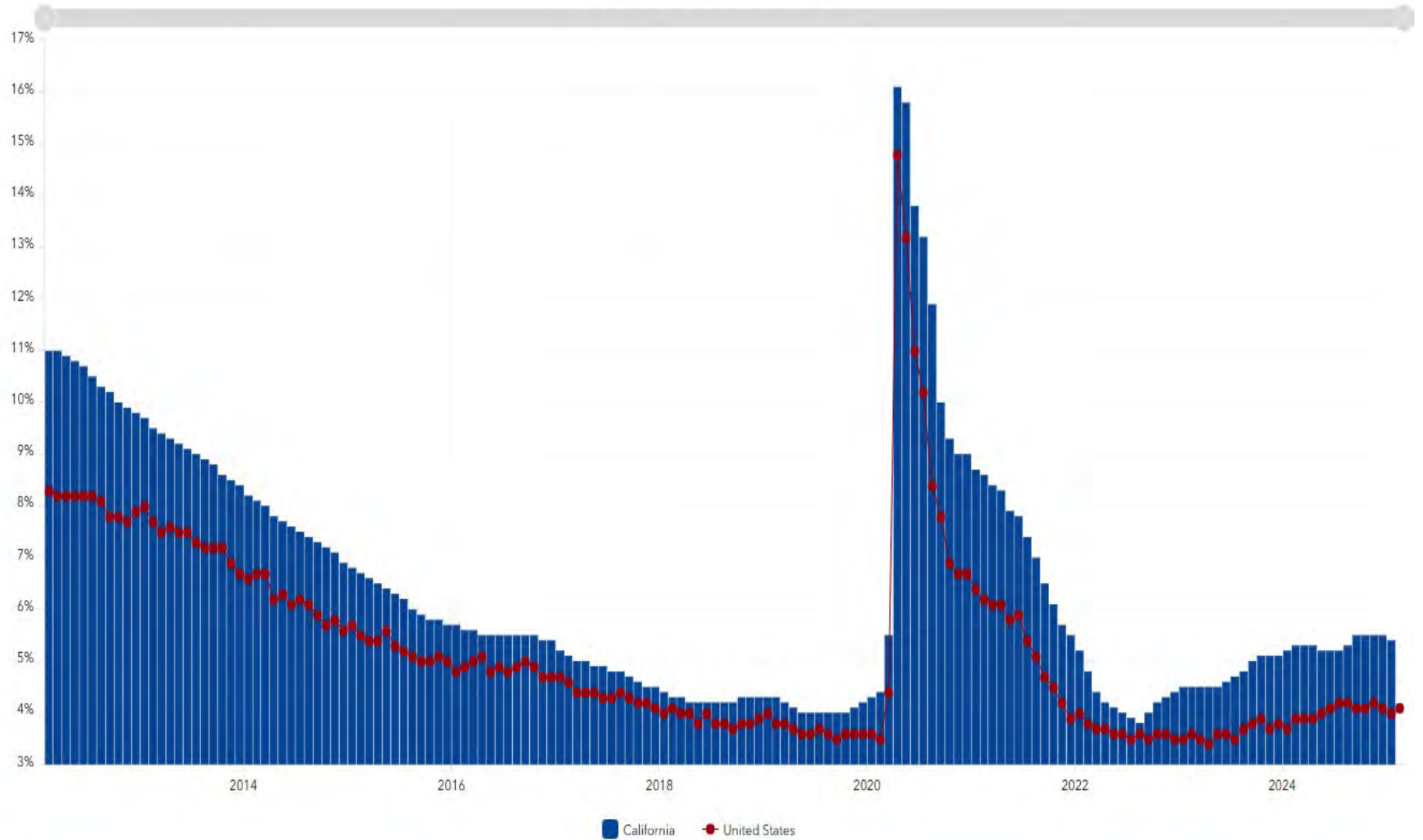
U.S. and California Consumer Price Index (CPI) Rates



Sources: Bureau of Labor Statistics (BLS) and California Department of Industrial Relations (DIR)

Figure 4

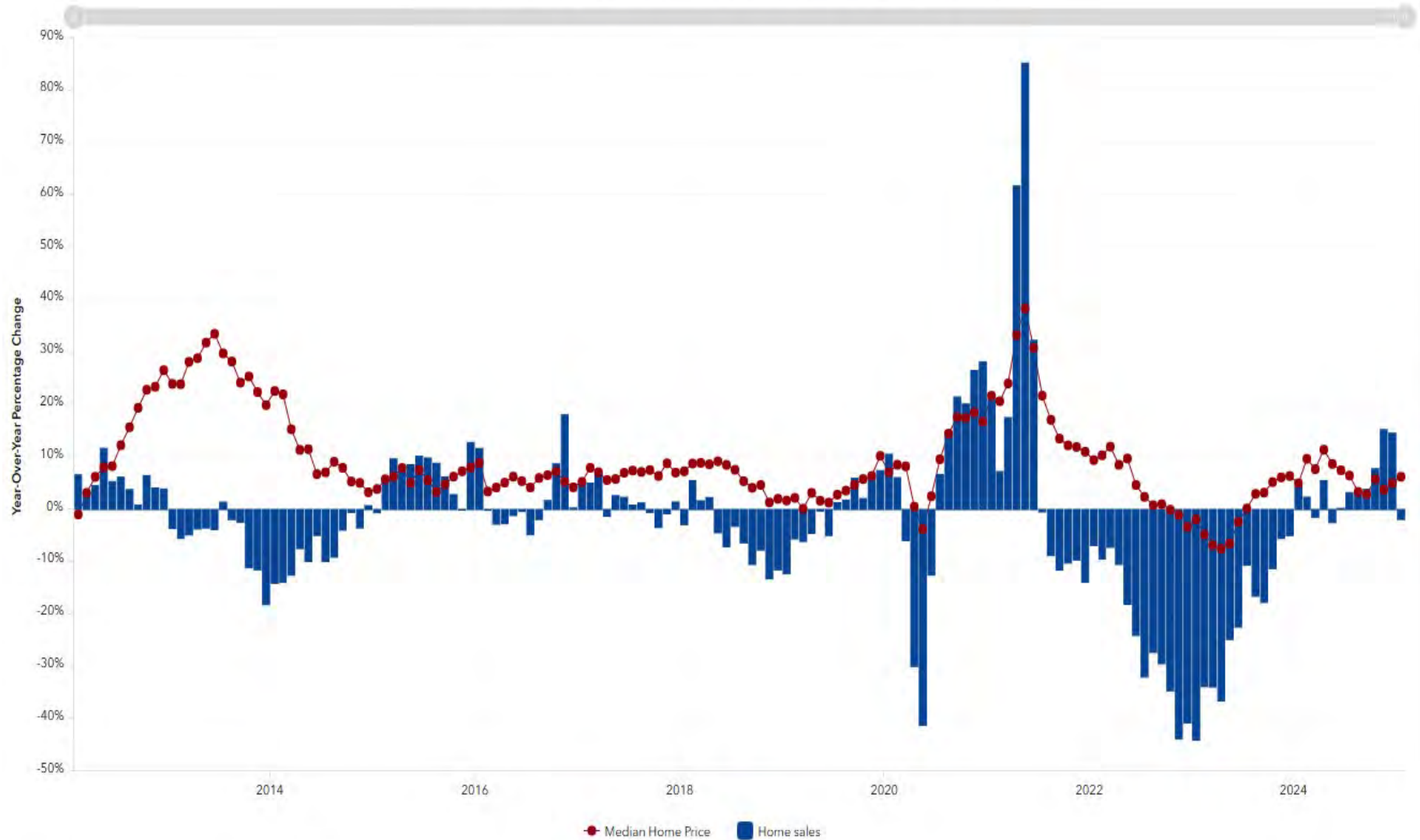
U.S. and California Unemployment Rate



Source: California Employment Development Department (EDD), Bureau of Labor Statistics (BLS)

Figure 5

California Home Sales and Median Home Sales Price of Existing Single-Family Homes



Source: California Association of Realtors (CAR)

Figure 6

Comparison of Actual and 2024-25 Budget Act Forecast: Agency General Fund Cash Receipts

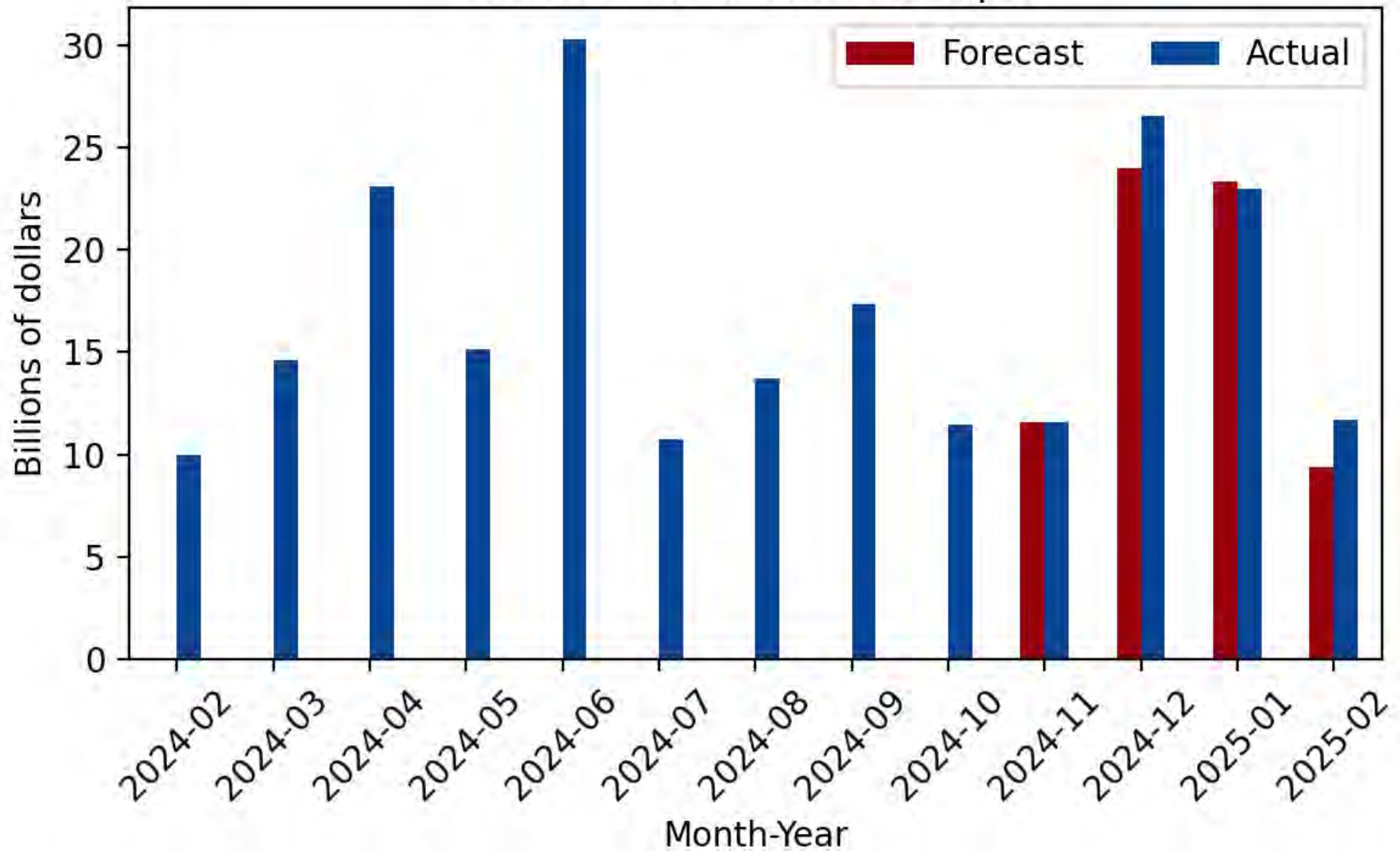


Figure 7

Comparison of Actual and 2024-25 Budget Act Forecast: Personal Income Tax

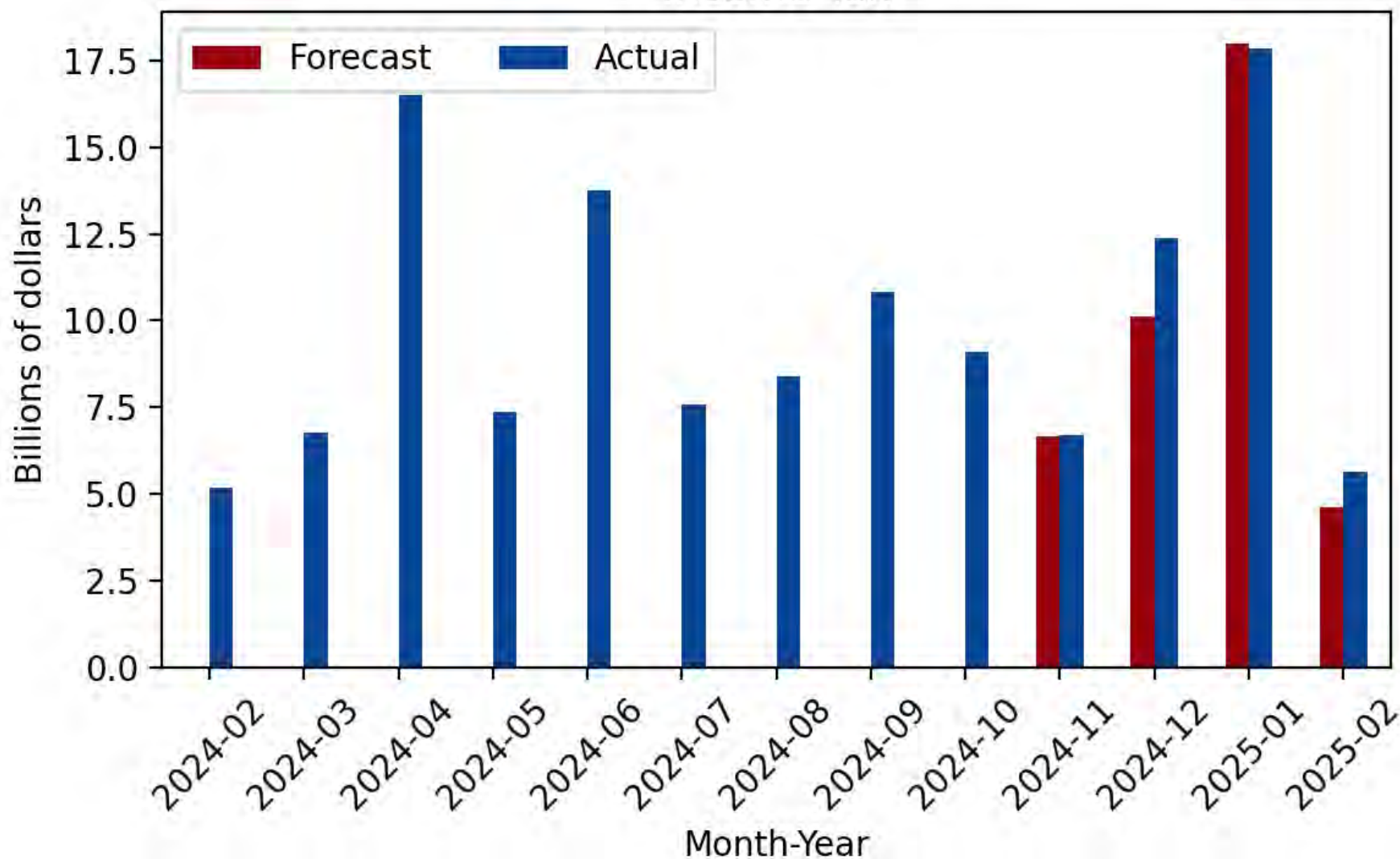


Figure 8

Comparison of Actual and 2024-25 Budget Act Forecast:
Corporation Tax

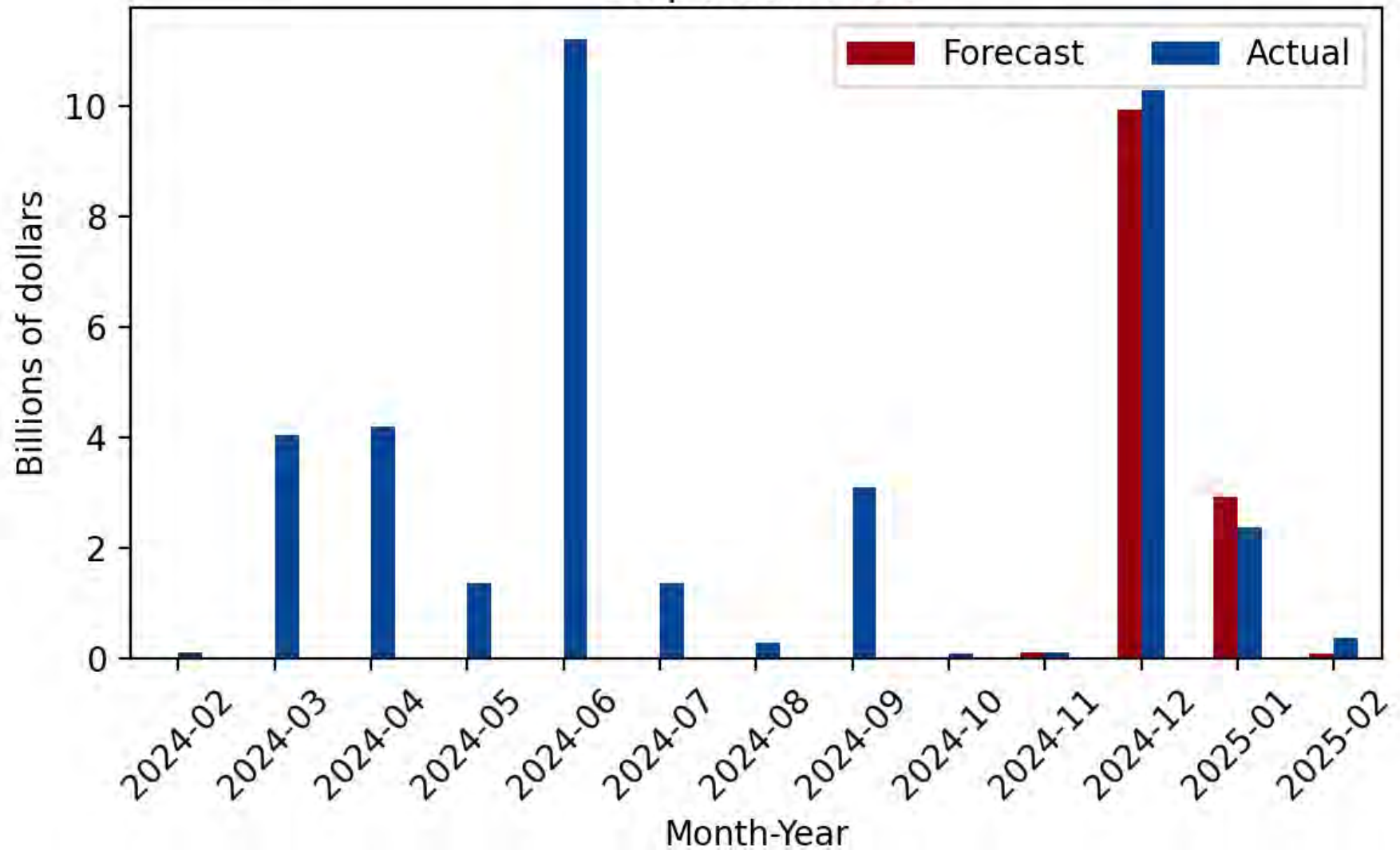


Figure 9

Comparison of Actual and 2024-25 Budget Act Forecast: Sales & Use Tax

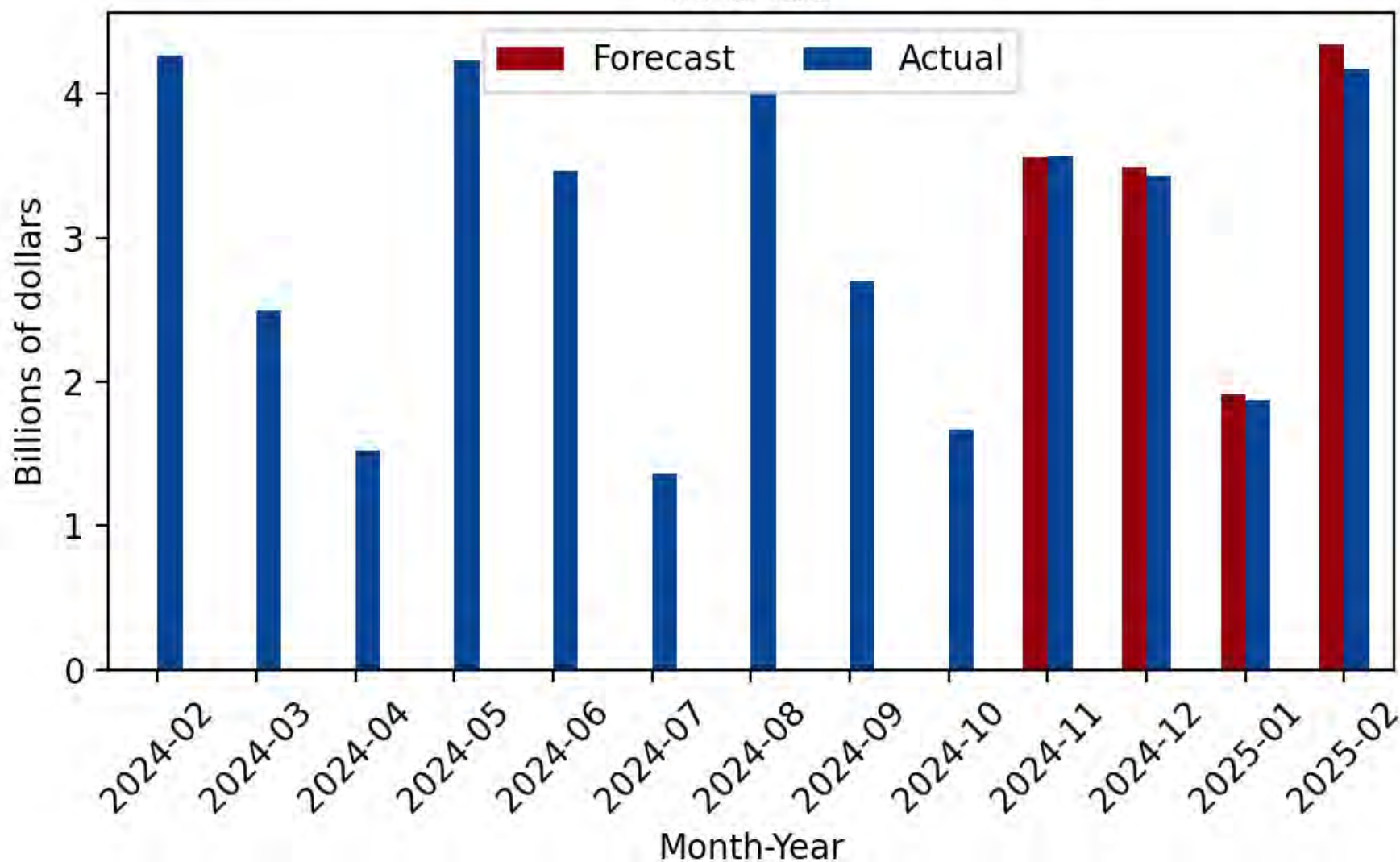


Figure 10

Comparison of Actual and 2024-25 Budget Act Forecast: All Other Taxes

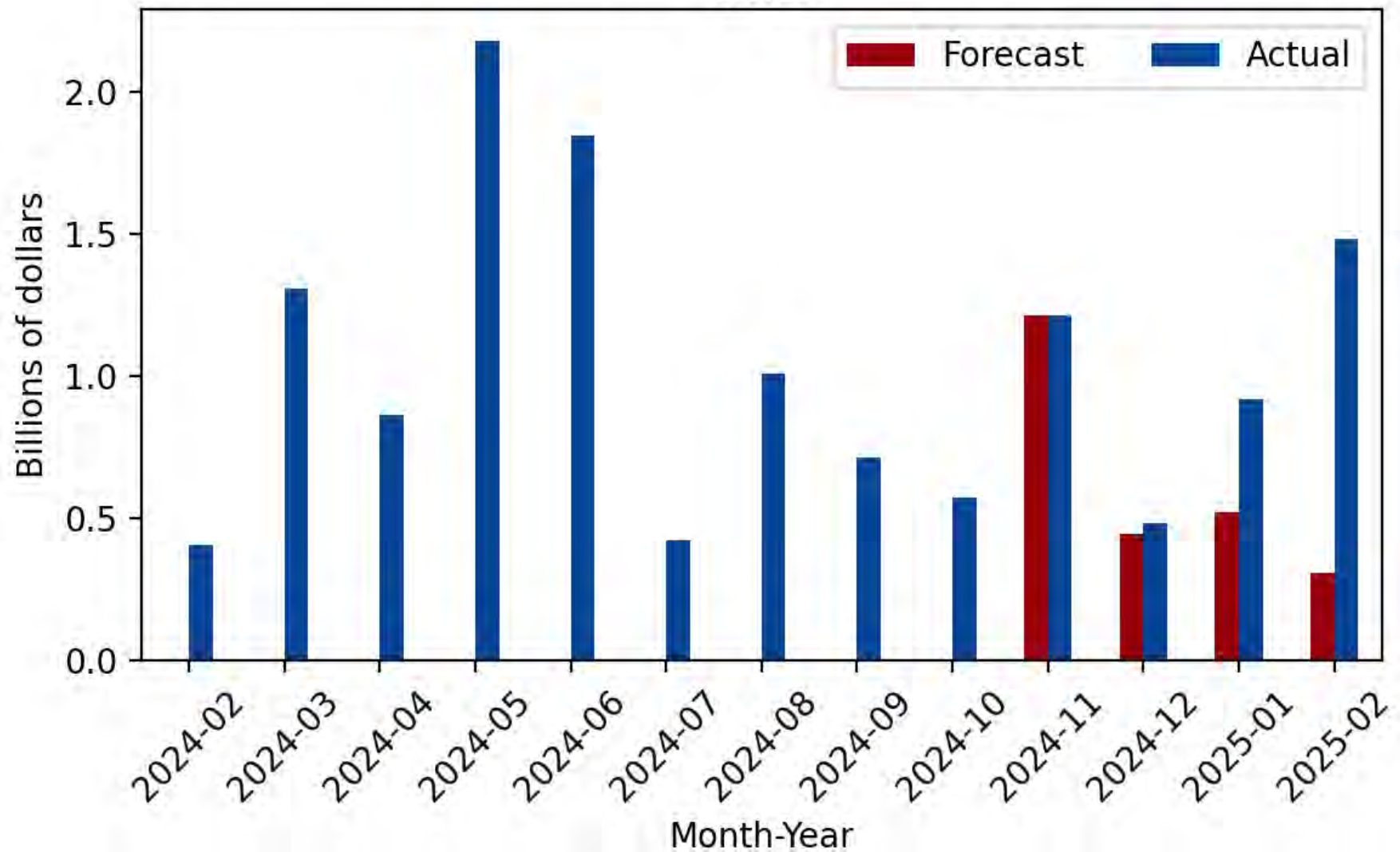


Figure 11

Difference between Actual and 2024-25 Budget Act Forecast:
Agency General Fund Cash Receipts

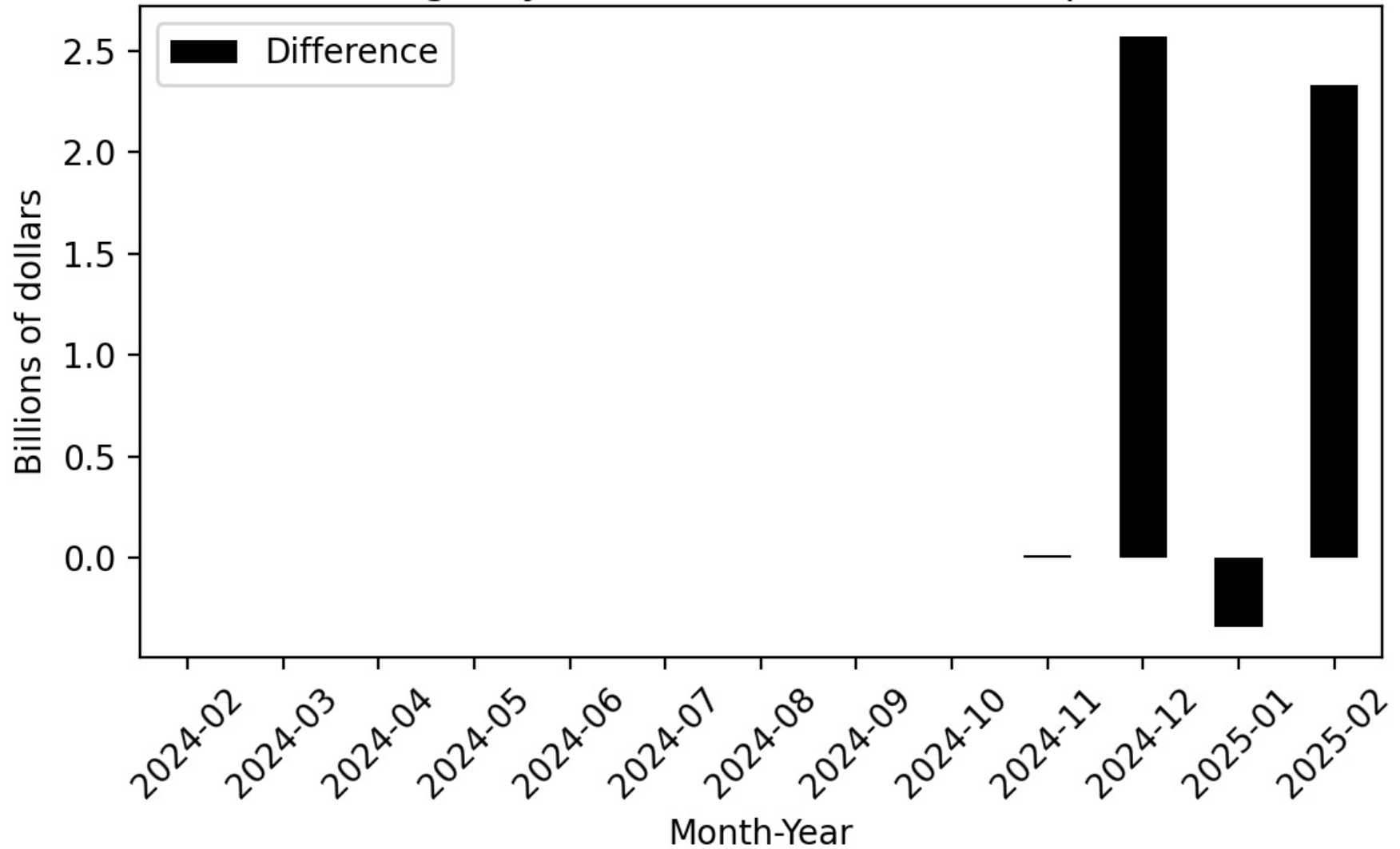


Figure 12

Difference between Actual and 2024-25 Budget Act Forecast:
Personal Income Tax

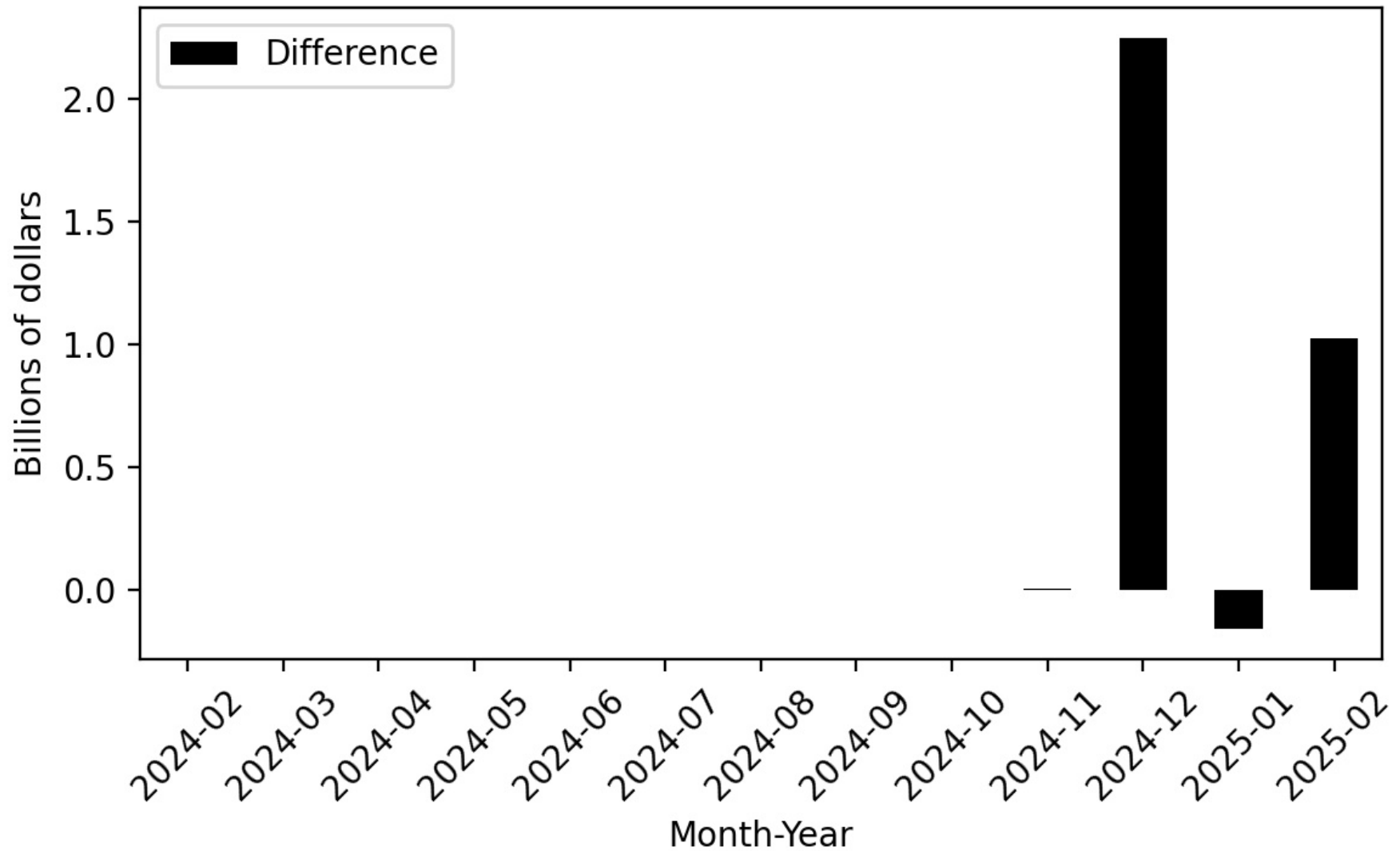


Figure 13

Difference between Actual and 2024-25 Budget Act Forecast:
Corporation Tax

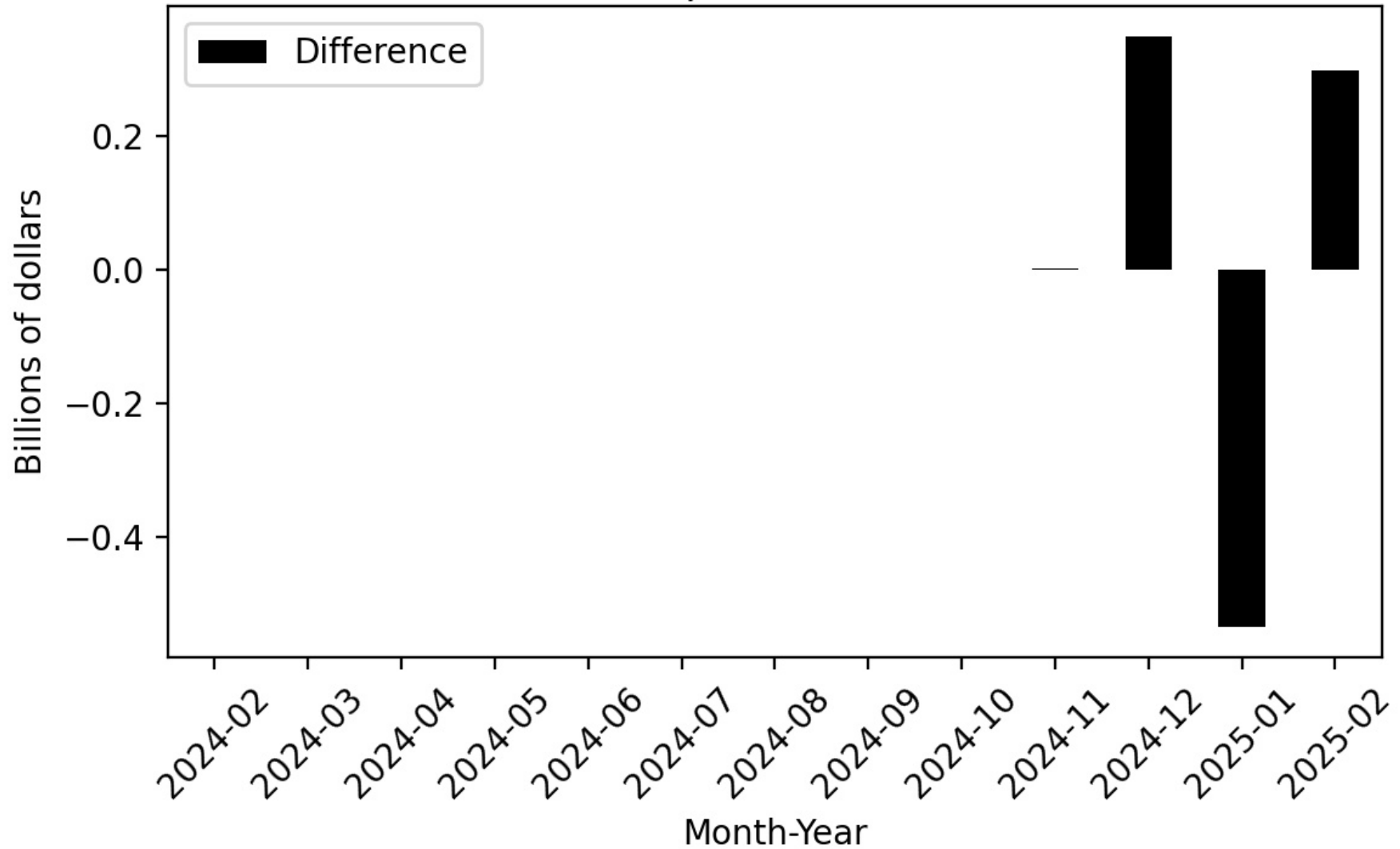


Figure 14

Difference between Actual and 2024-25 Budget Act Forecast:
Sales & Use Tax

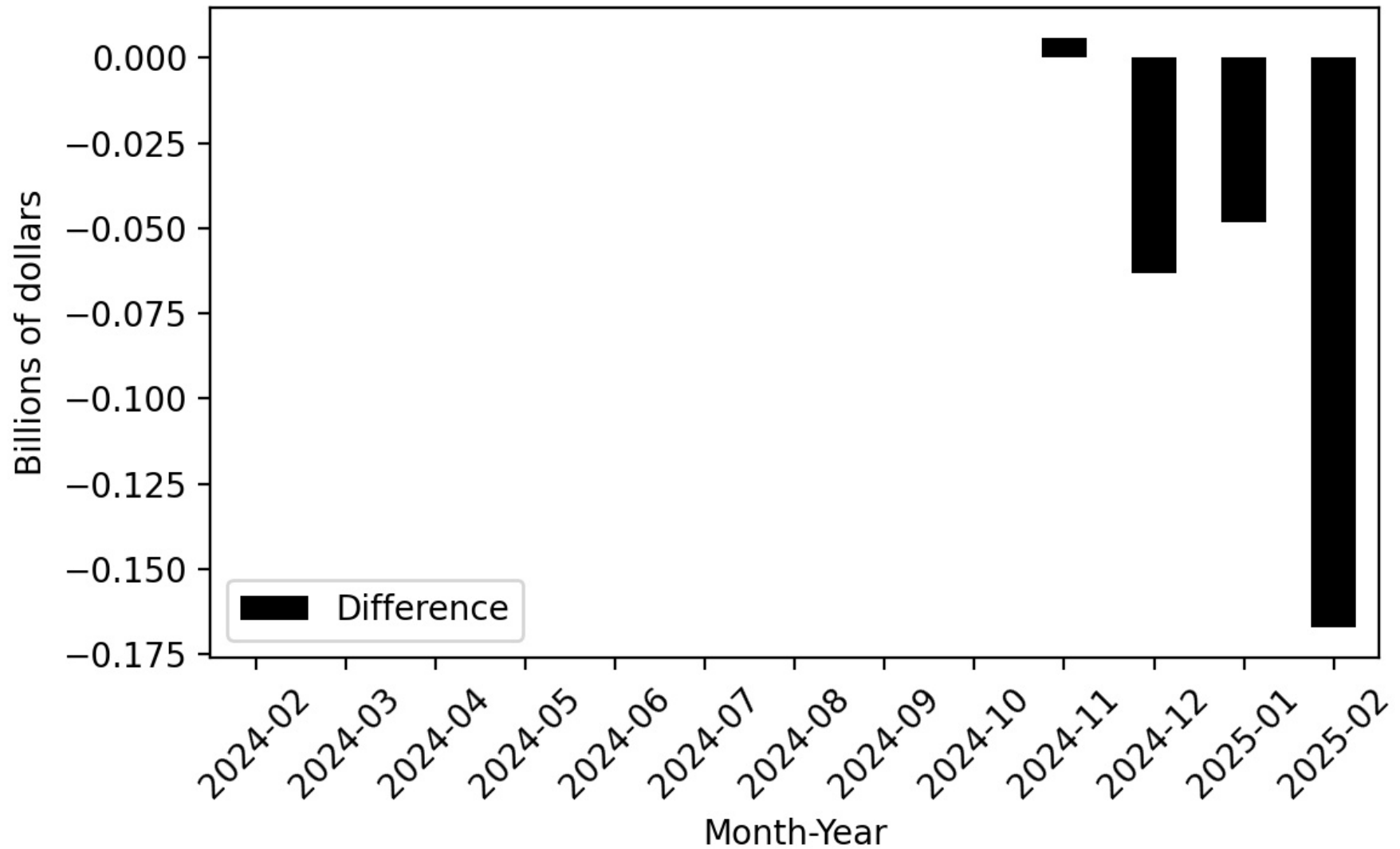


Figure 15

Difference between Actual and 2024-25 Budget Act Forecast: All Other Taxes

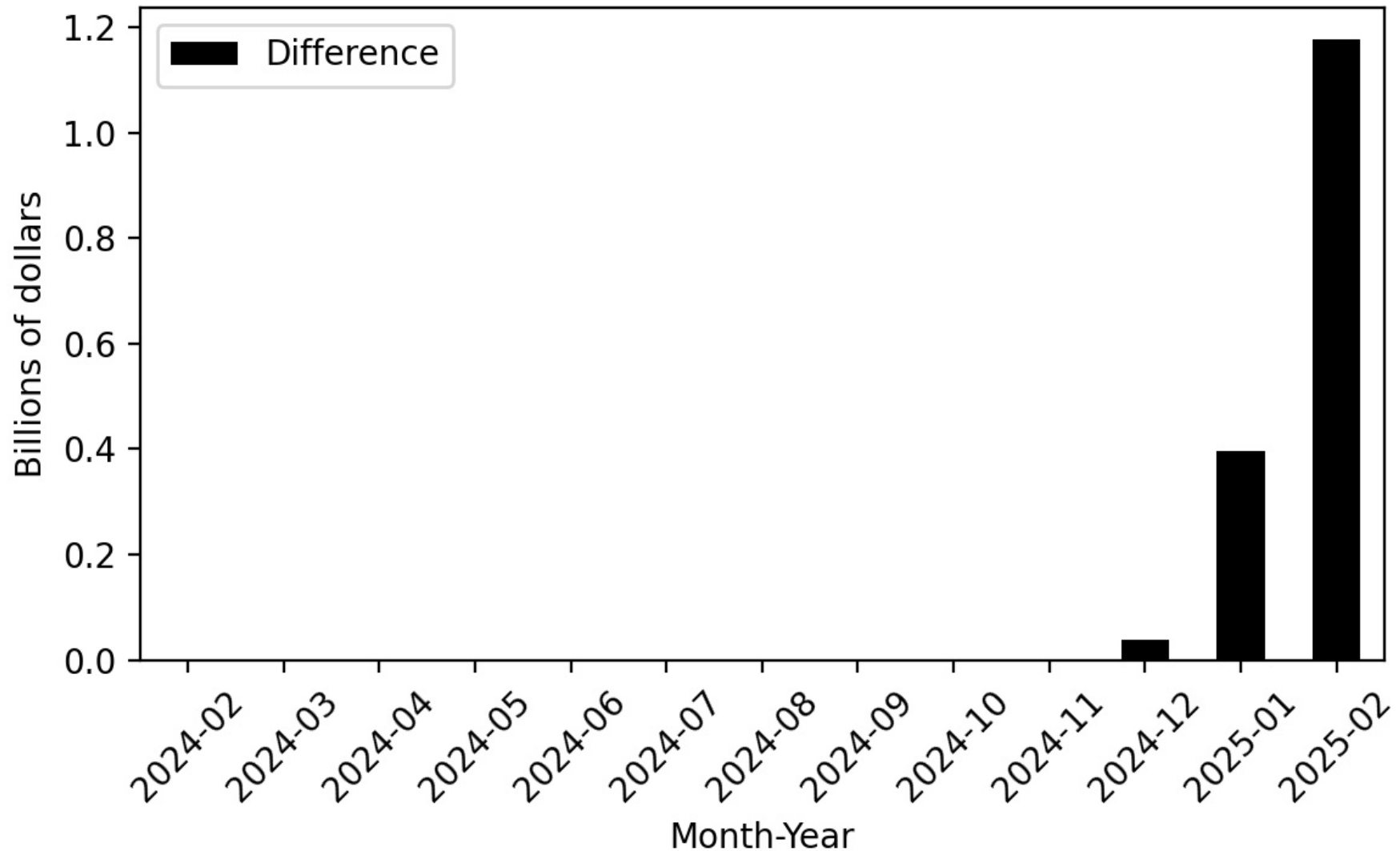


Figure 16

Cumulative Difference between Actual and 2024-25 Budget Act
Forecast: Agency General Fund Cash Receipts

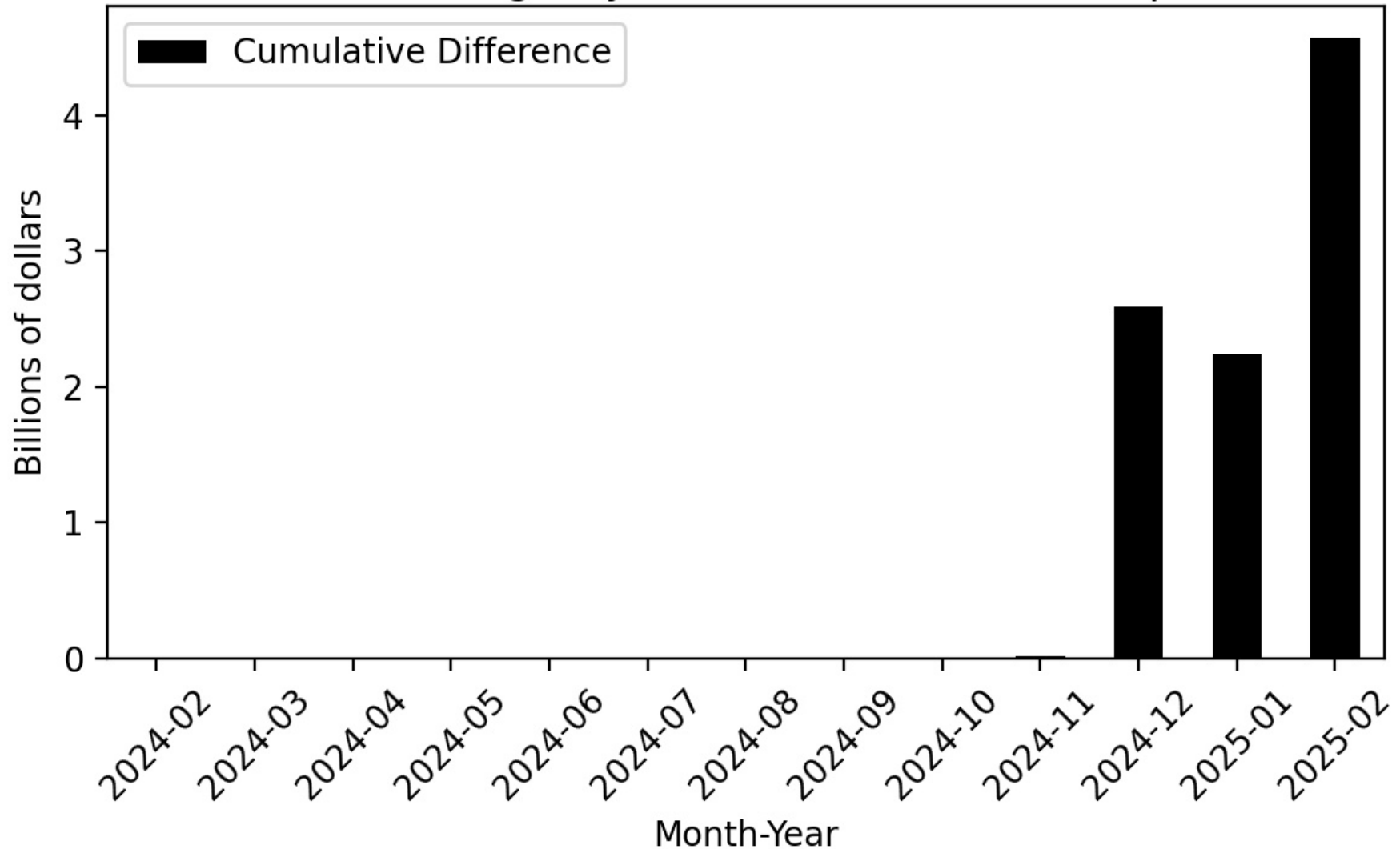


Figure 17

Cumulative Difference between Actual and 2024-25 Budget Act
Forecast: Personal Income Tax

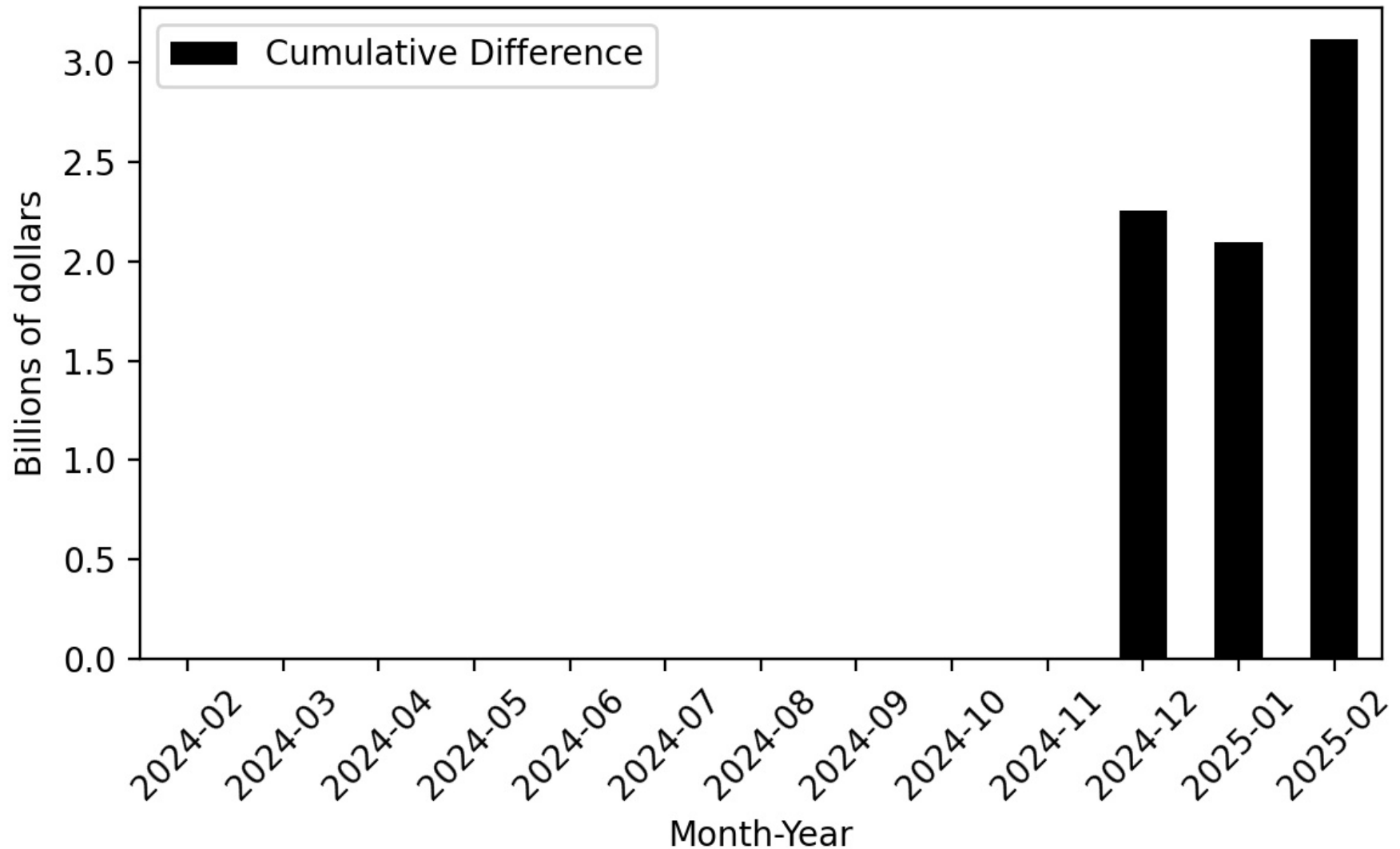


Figure 18

Cumulative Difference between Actual and 2024-25 Budget Act
Forecast: Corporation Tax

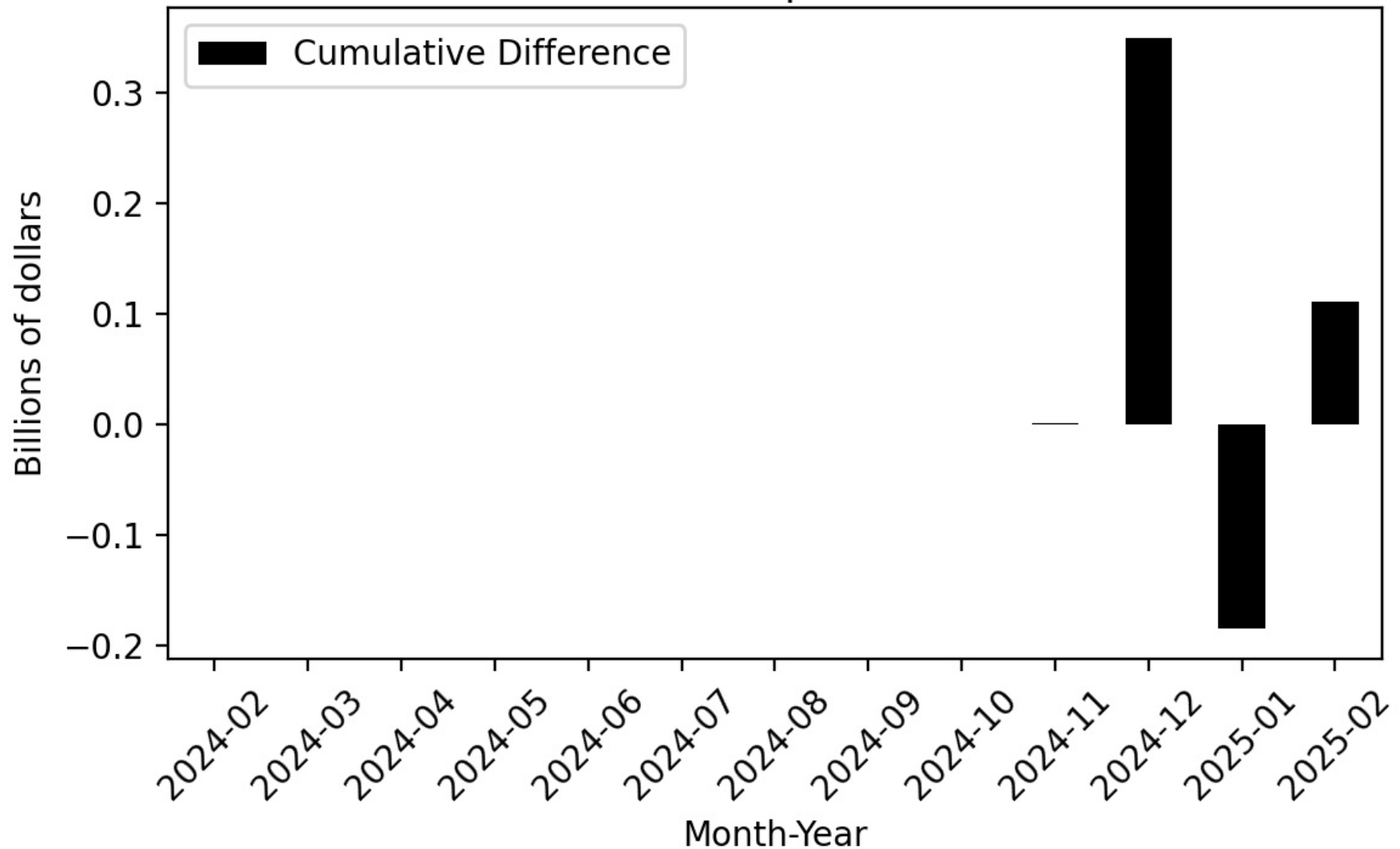


Figure 19

Cumulative Difference between Actual and 2024-25 Budget Act
Forecast: Sales & Use Tax

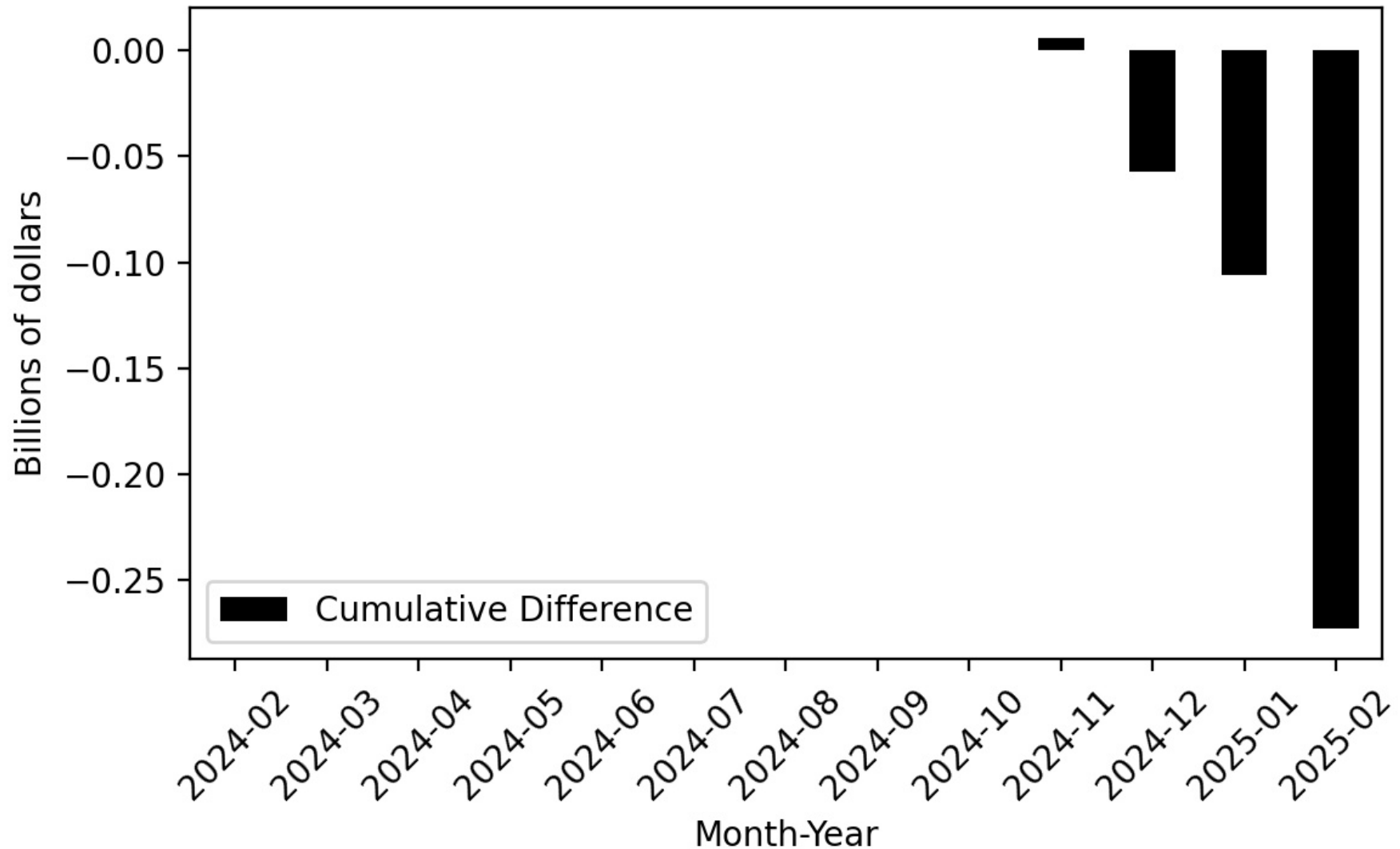


Figure 20

Cumulative Difference between Actual and 2024-25 Budget Act
Forecast: All Other Taxes

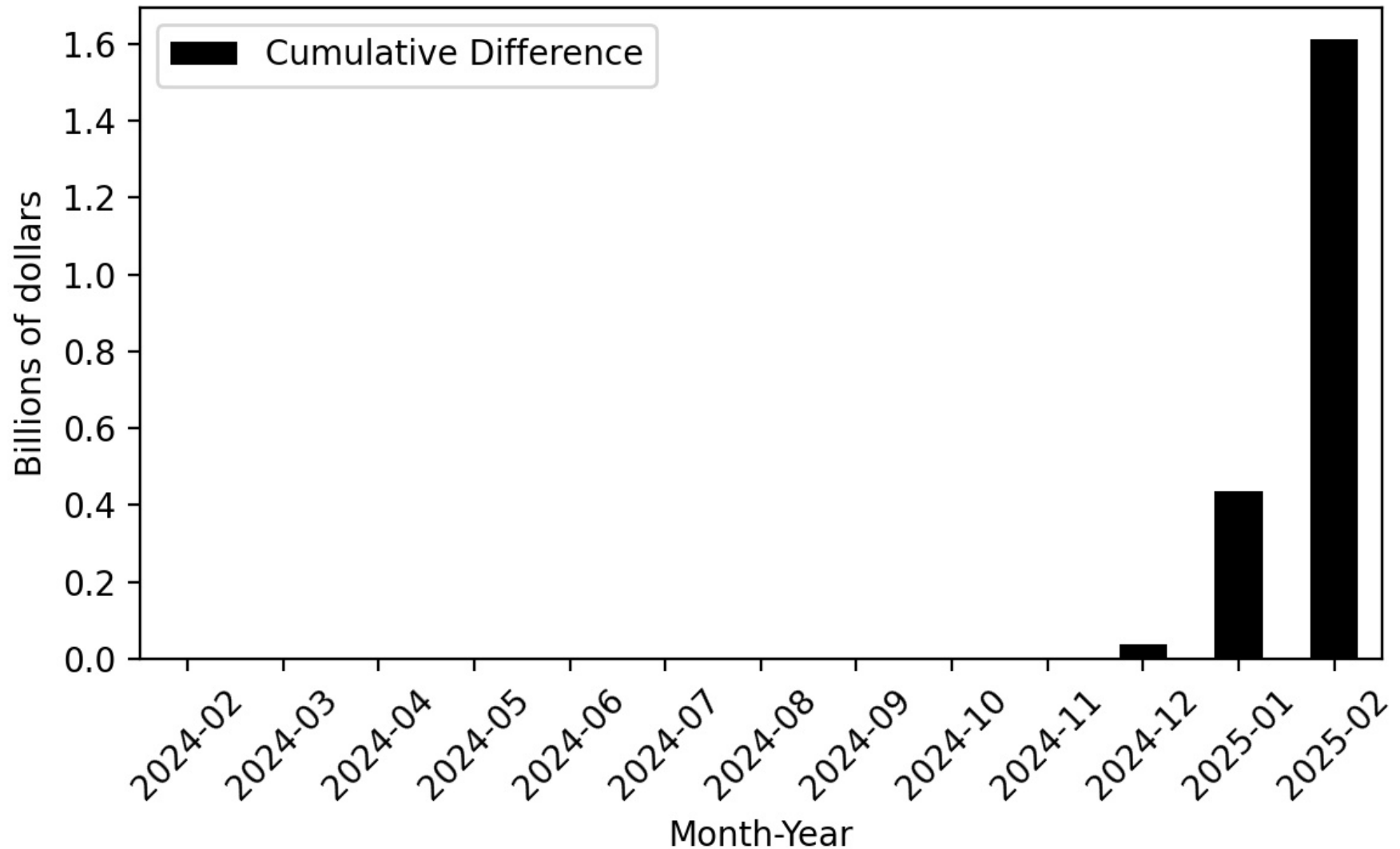


Figure 21

Year-Over-Year Change - Actual and 2024-25 Budget Act Forecast
- Agency General Fund Cash Receipts

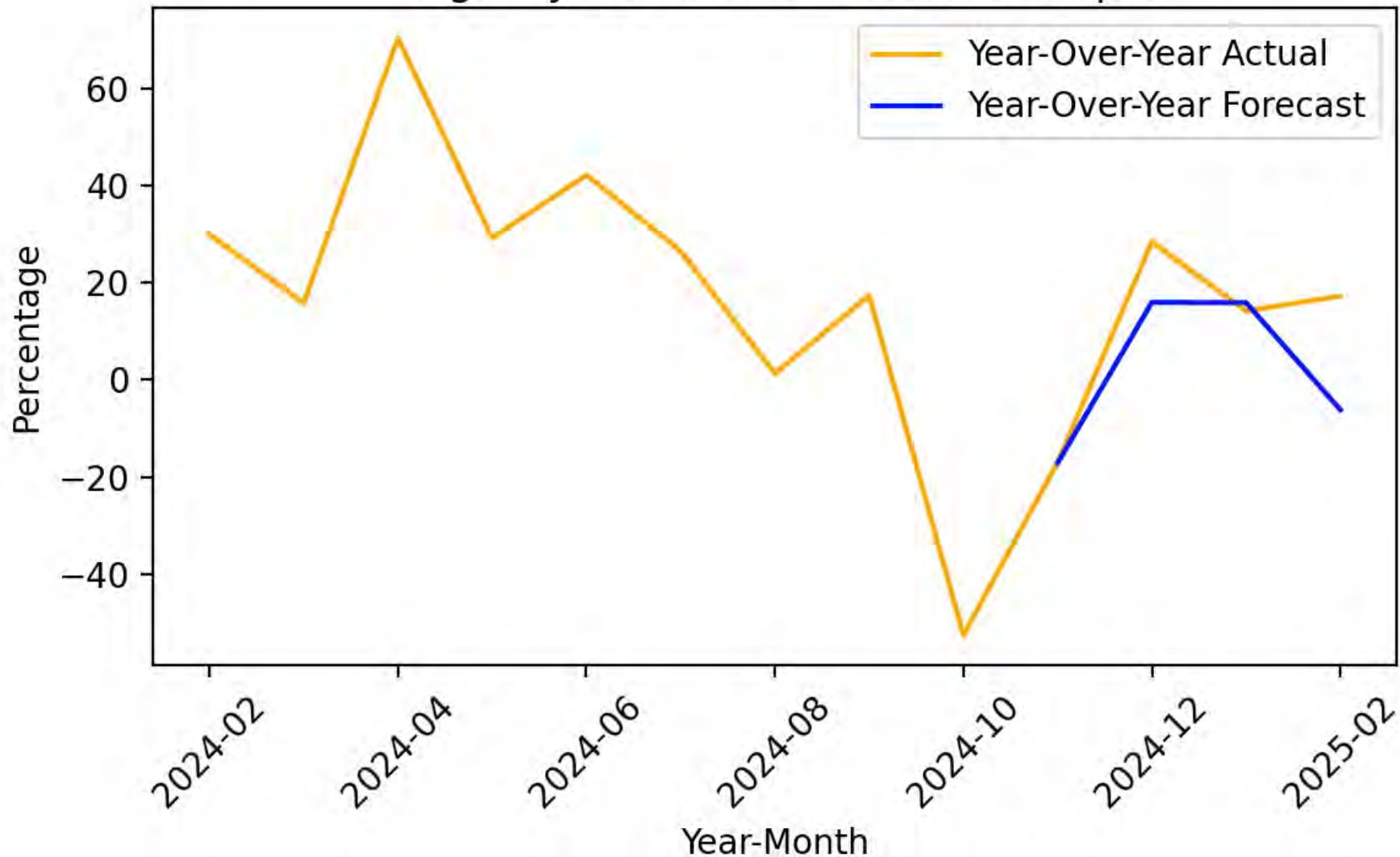


Figure 22

Year-Over-Year Change - Actual and 2024-25 Budget Act Forecast
PIT-Personal Income

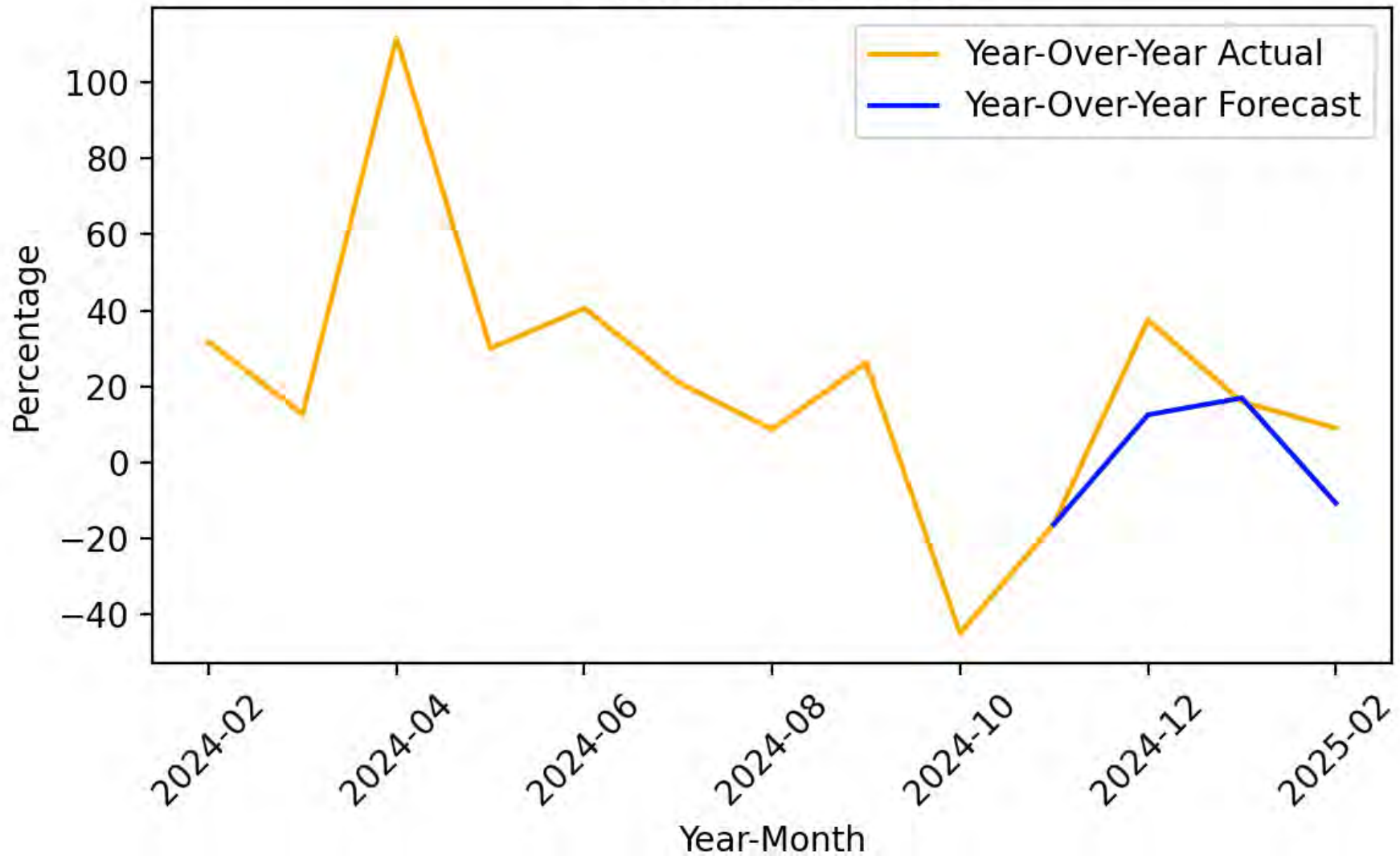


Figure 23

Year-Over-Year Change - Actual and 2024-25 Budget Act
Forecast Corp-Corporation

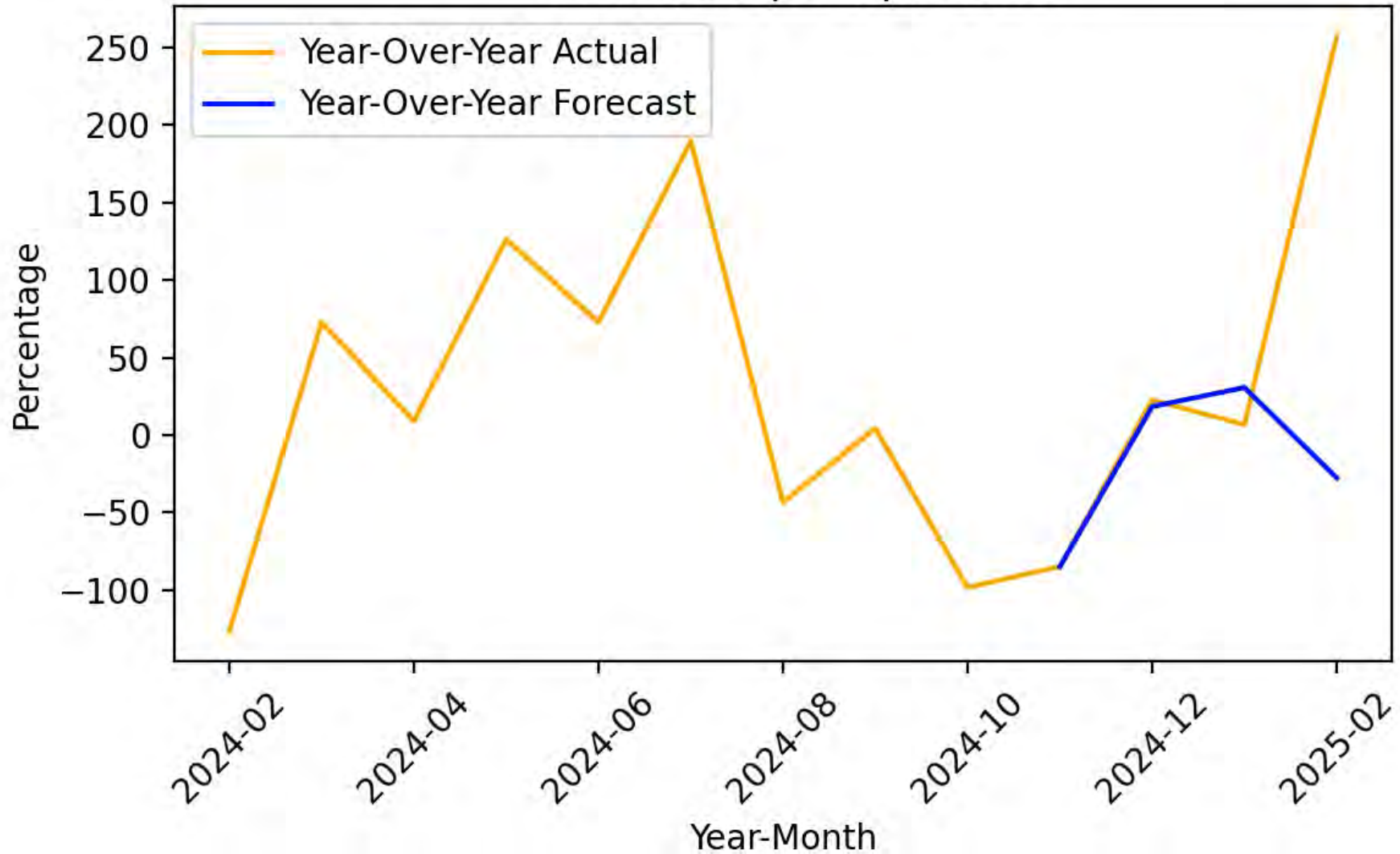


Figure 24

Year-Over-Year Change - Actual and 2024-25 Budget Act Forecast
SUT-Sales & Use

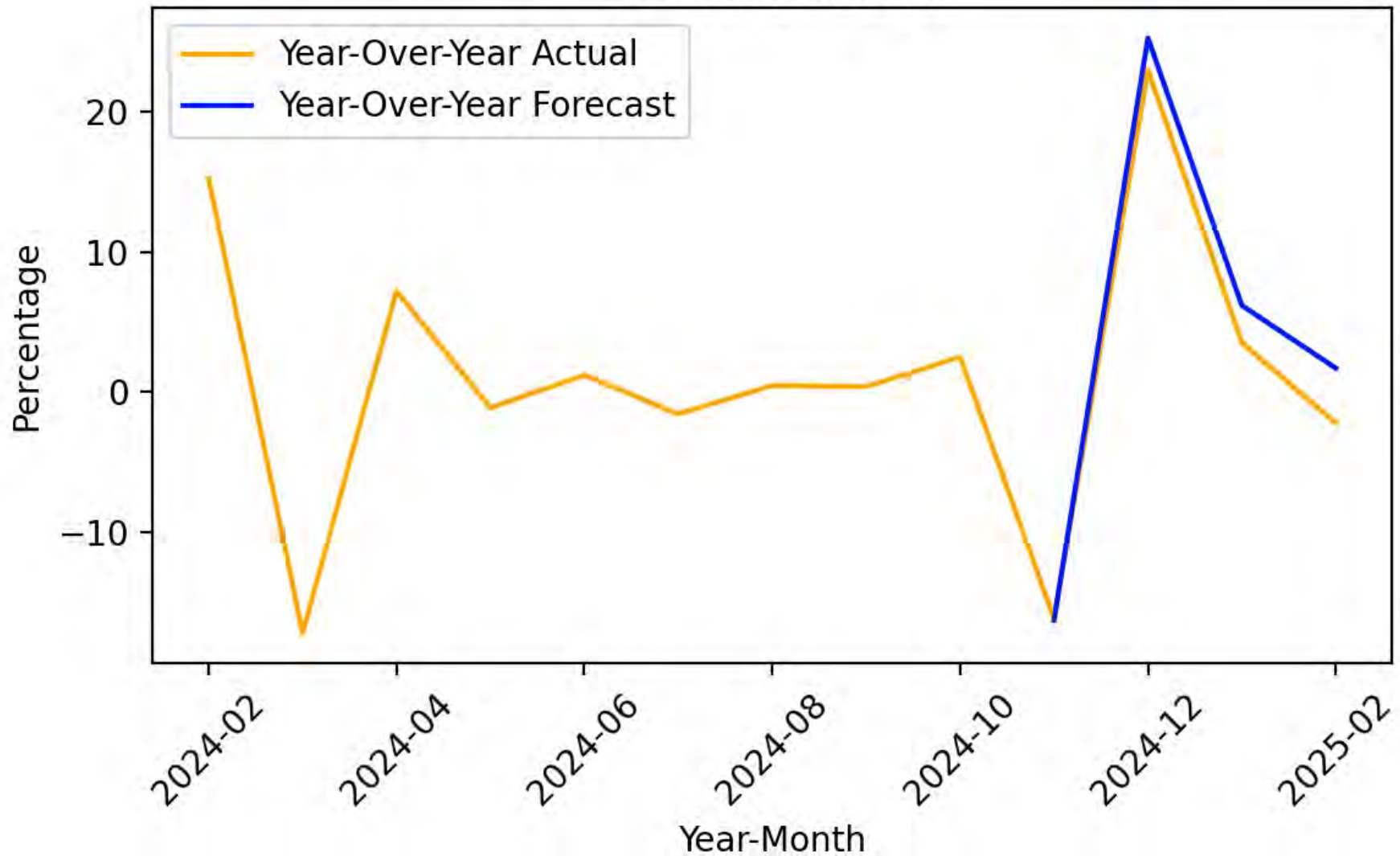


Figure 25

Year-Over-Year Change - Actual and 2024-25 Budget Act Forecast
All Other-All Other Revenue

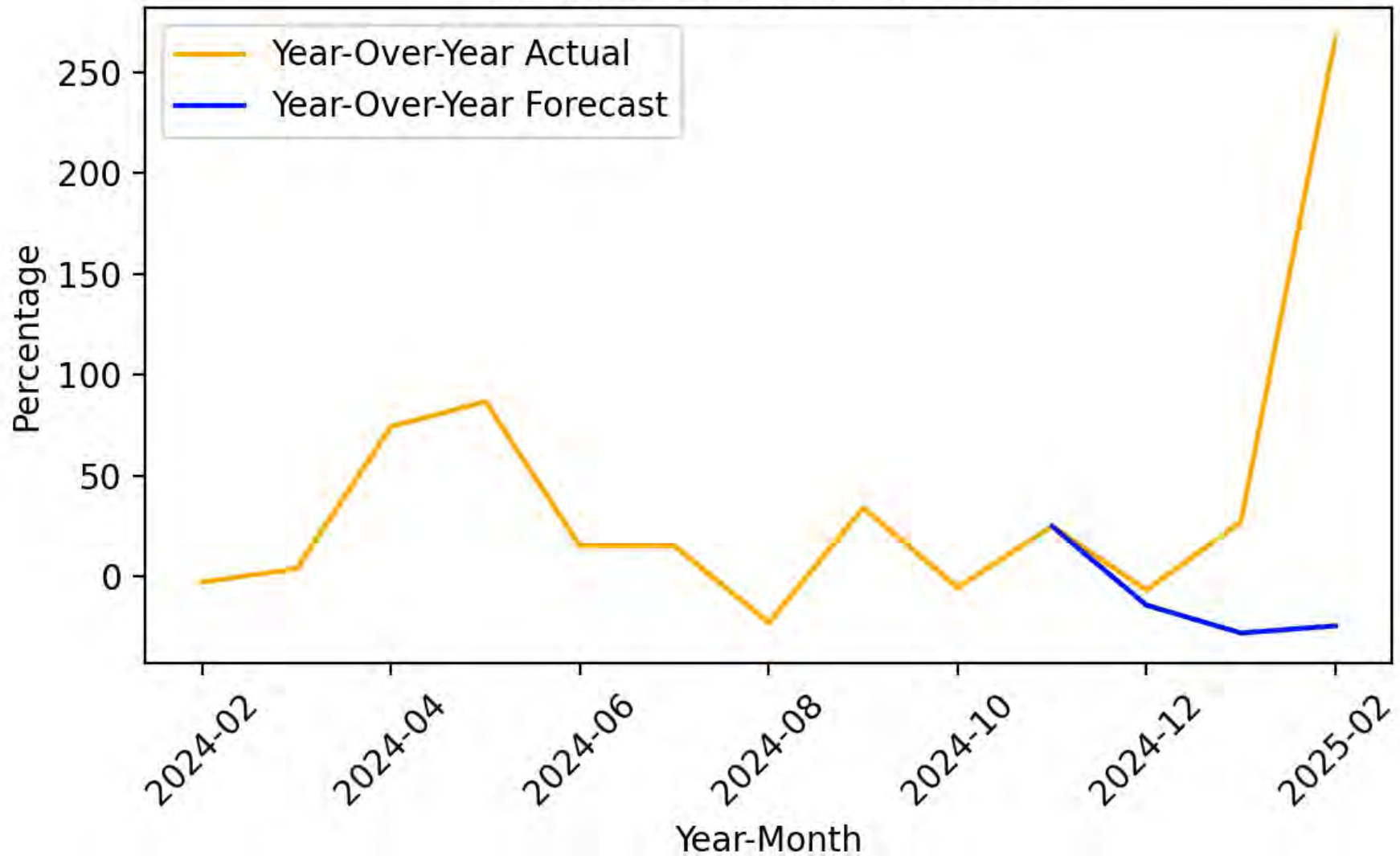


Figure 26

Agency General Fund Revenues - Actual

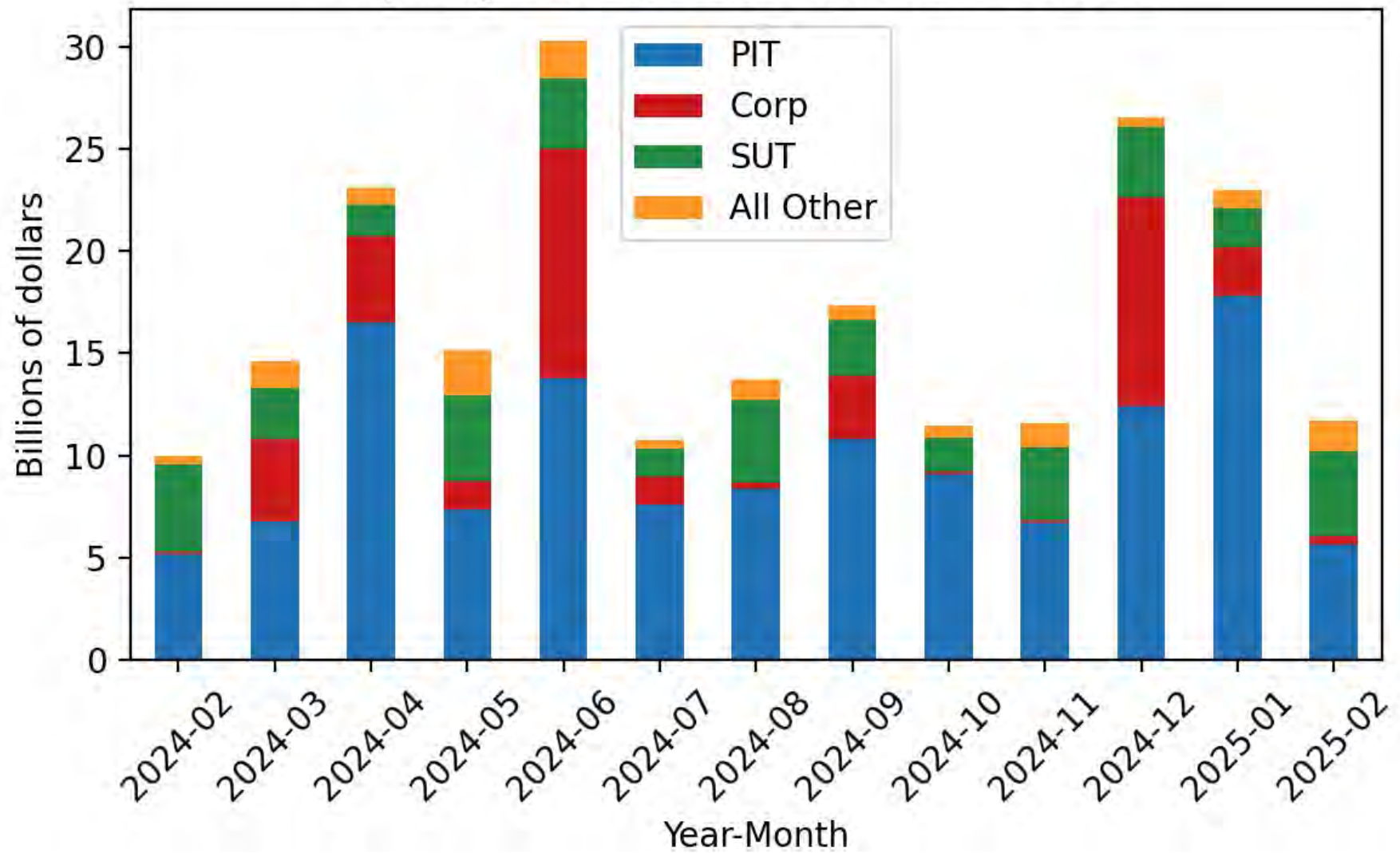


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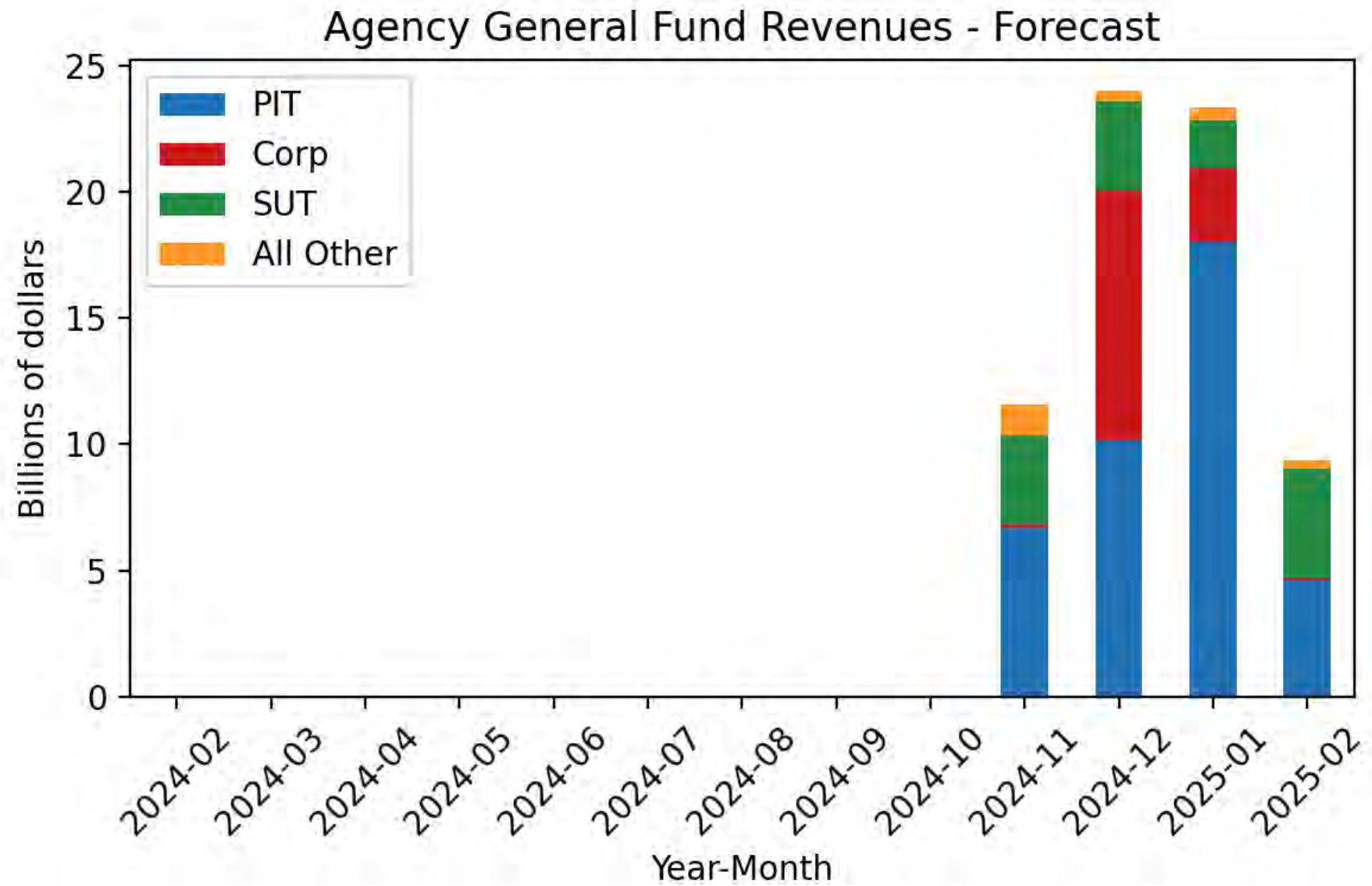


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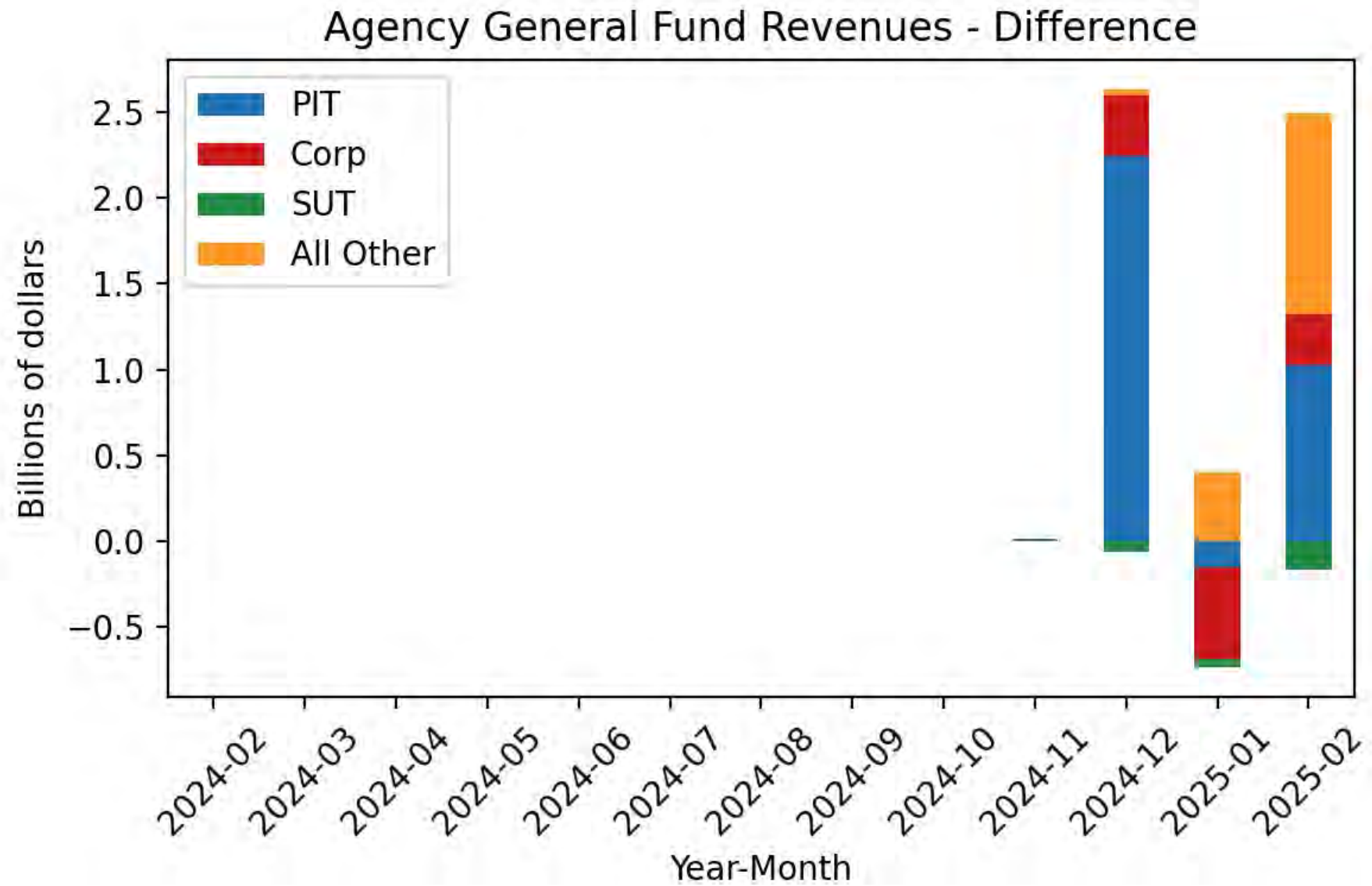


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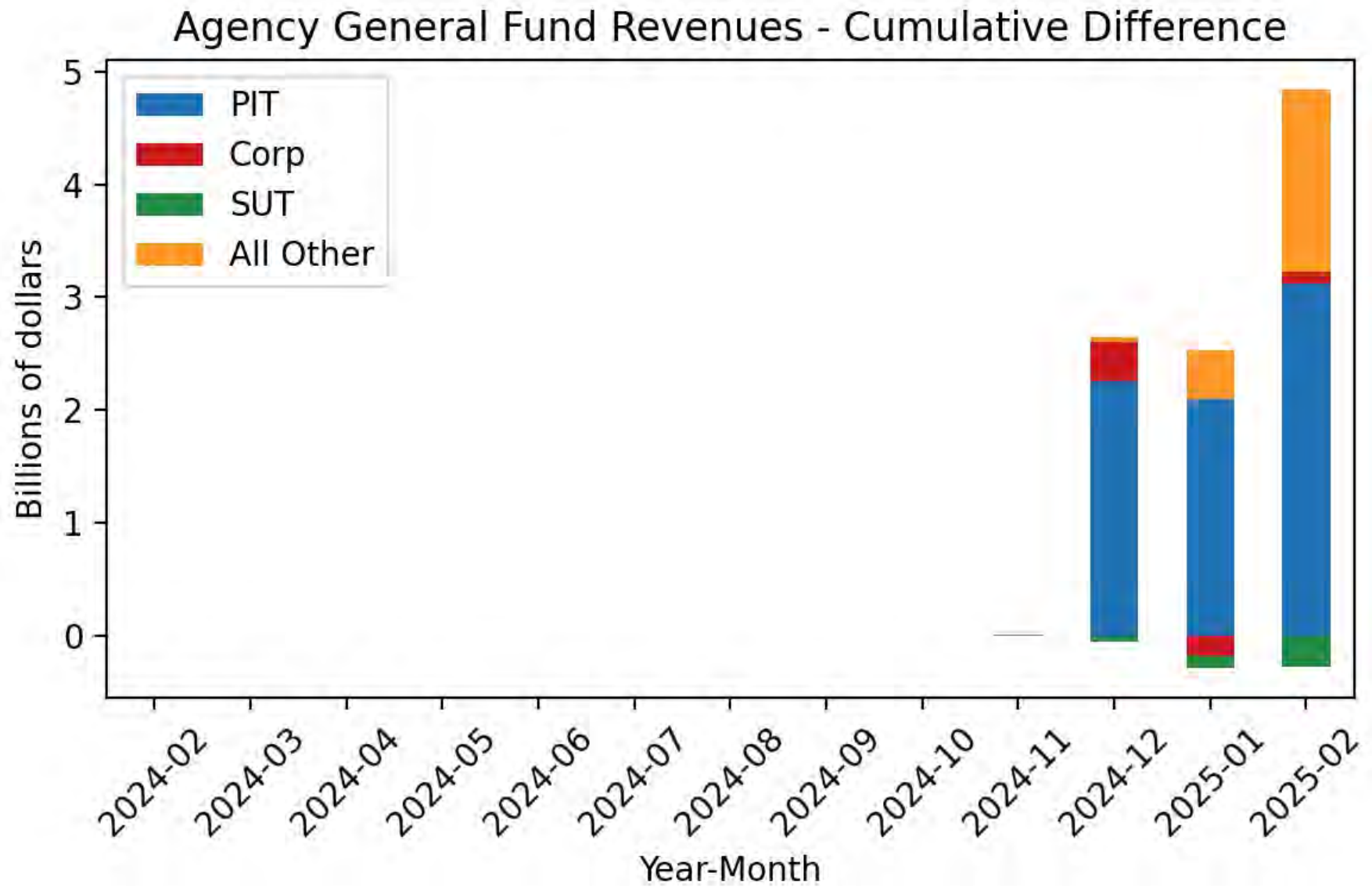


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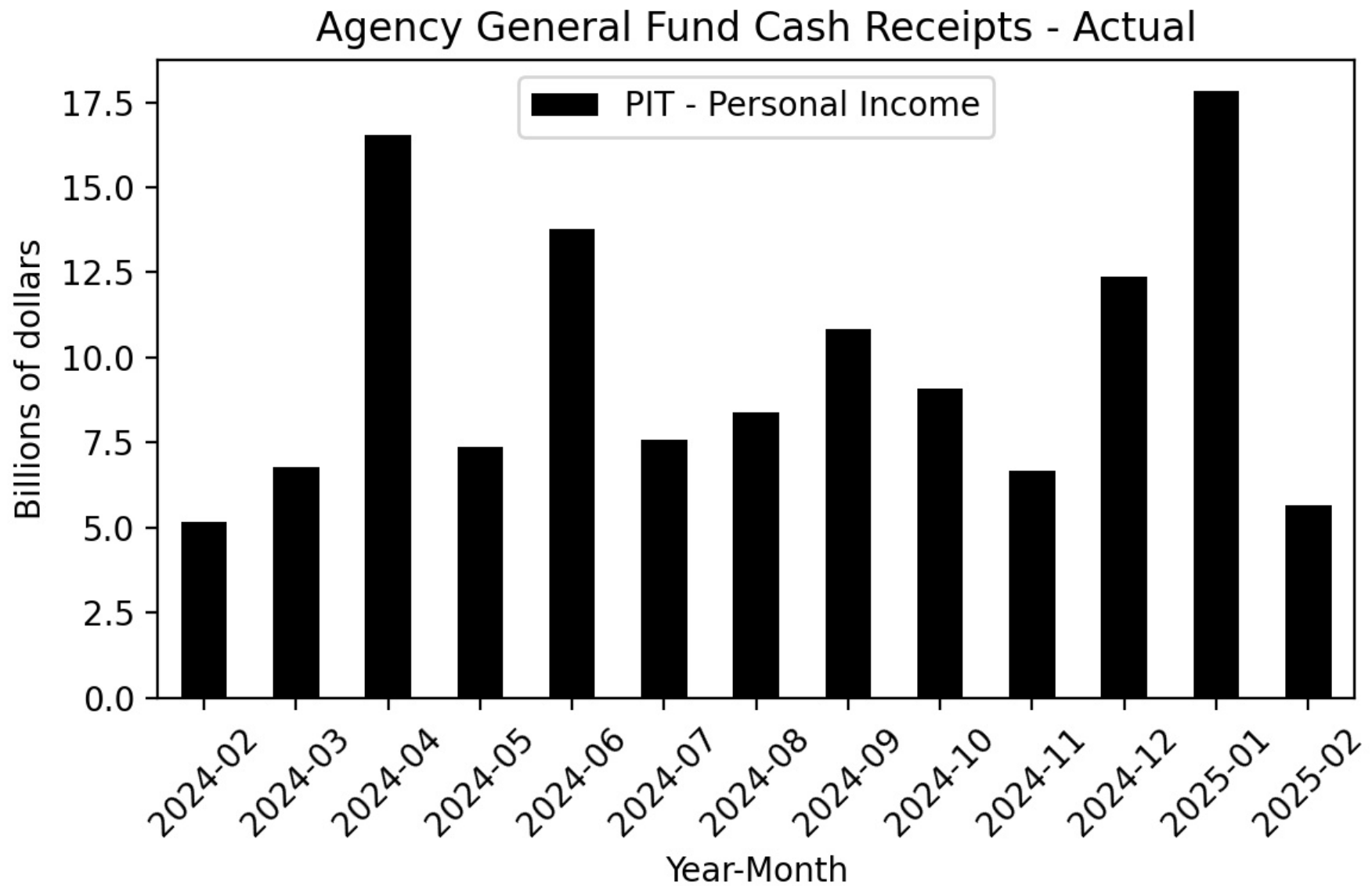


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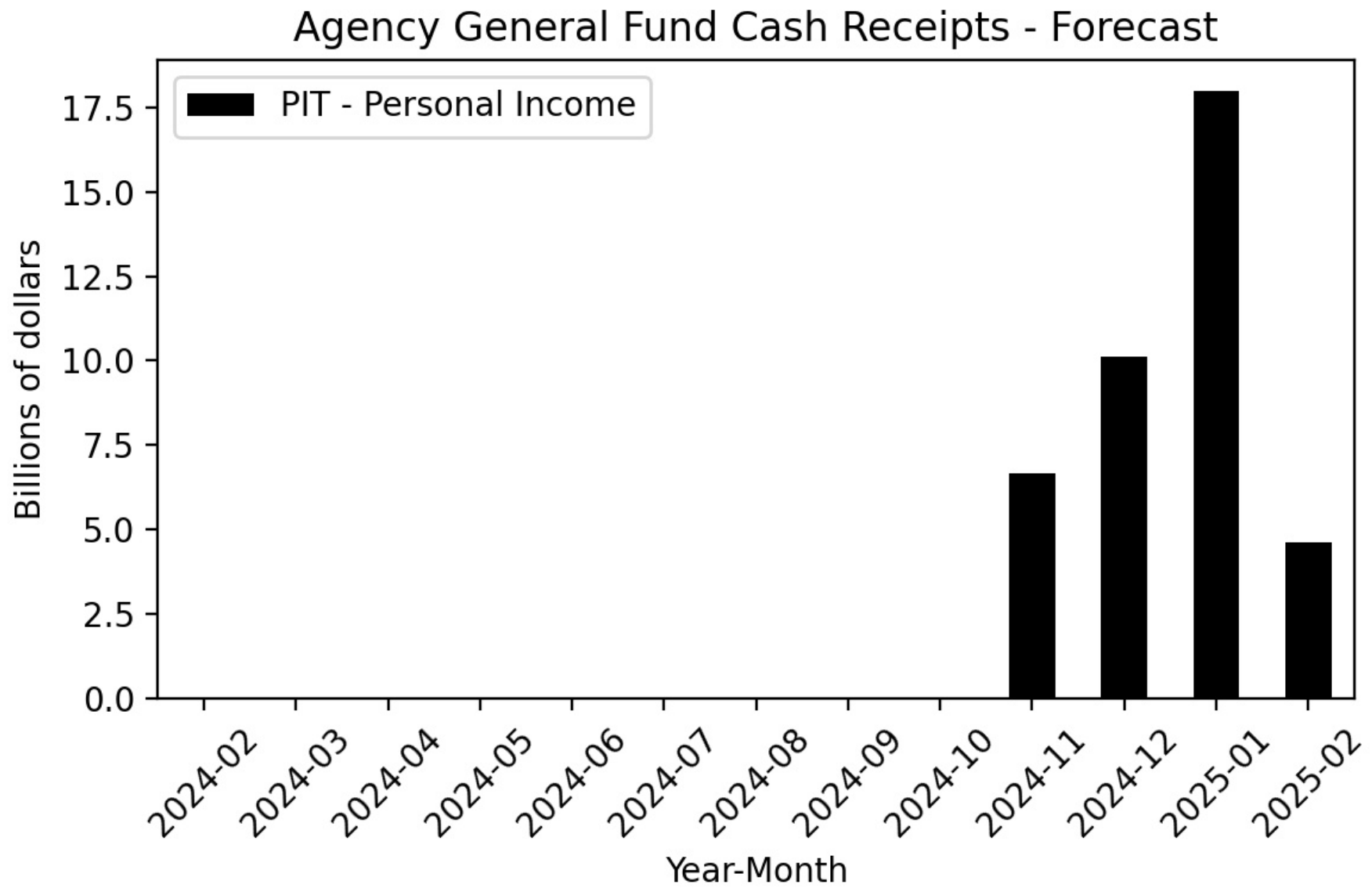


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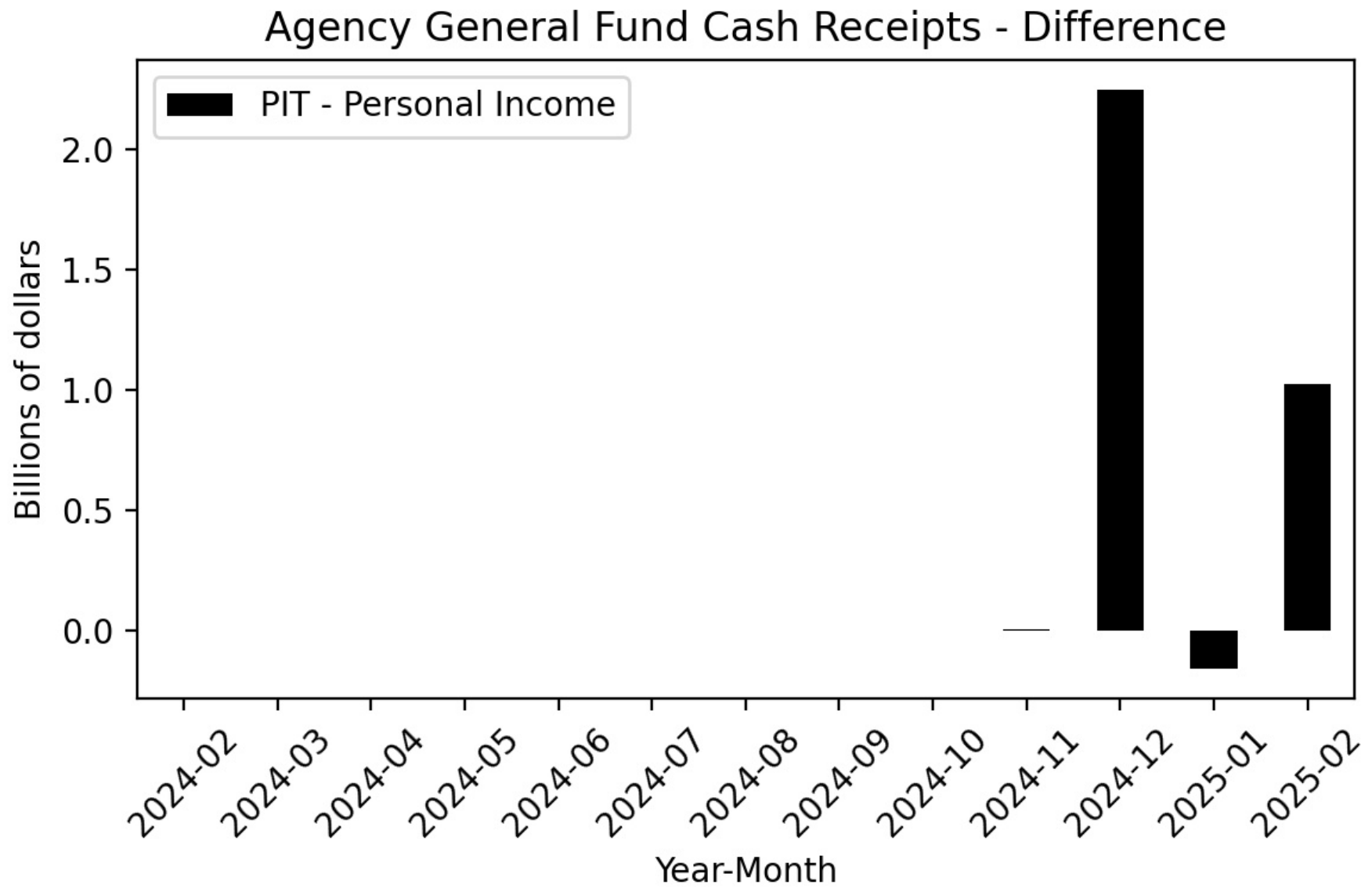


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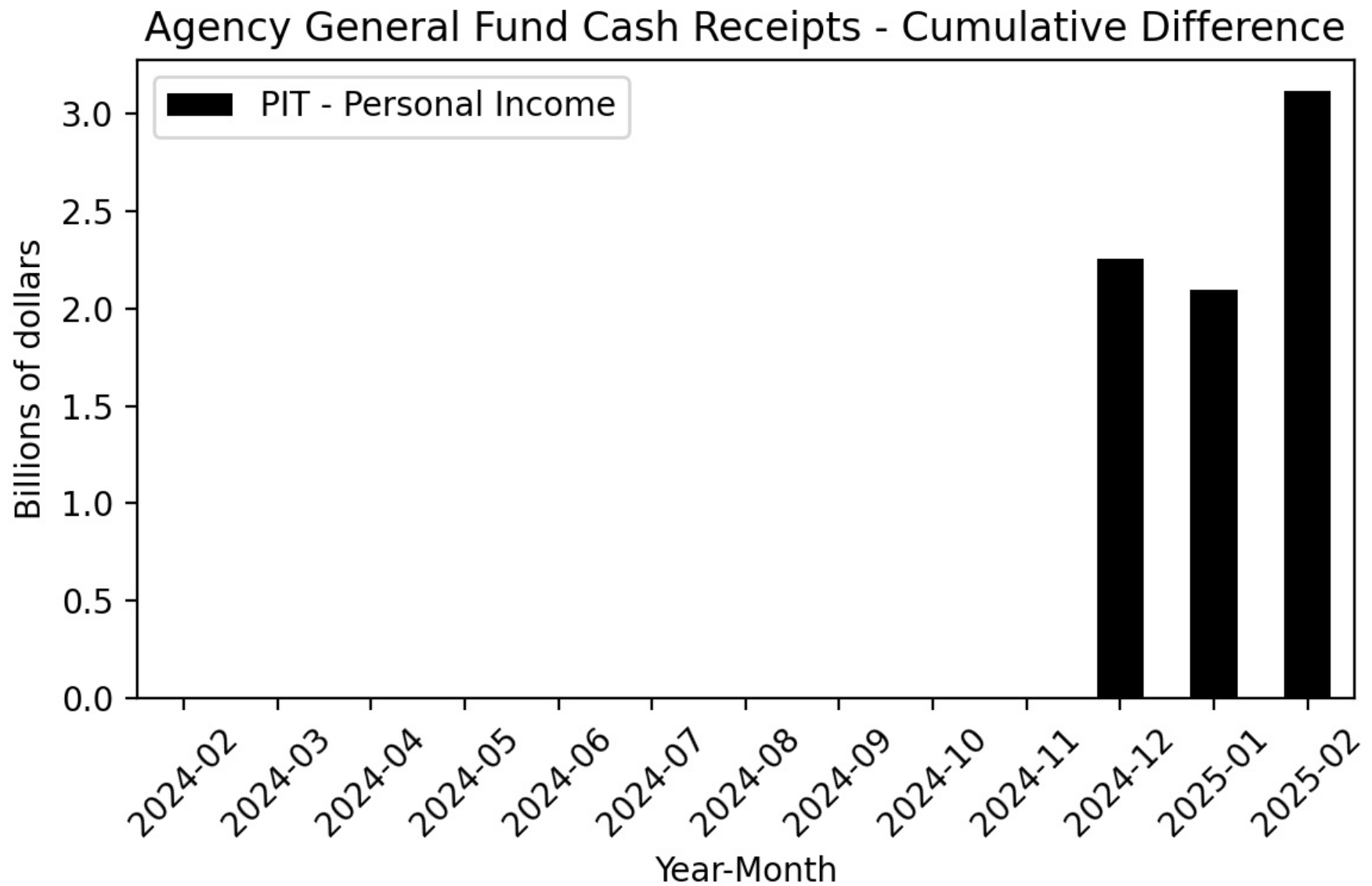


Figure 34

Year-Over-Year Change - Actual and 2024-25 Budget Act Forecast
PIT-Personal Income

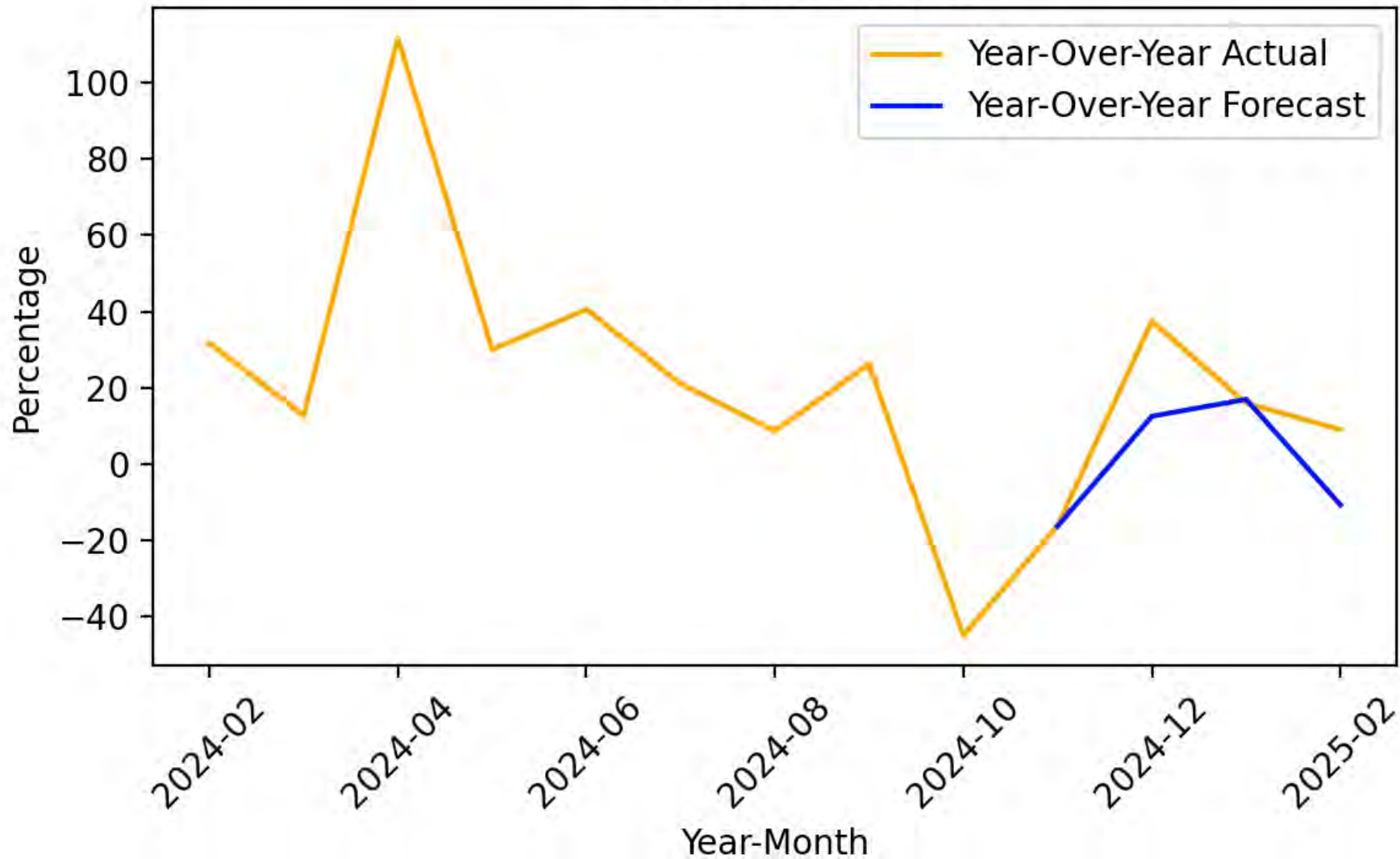


Figure 35

Agency General Fund Cash Receipts - Actual

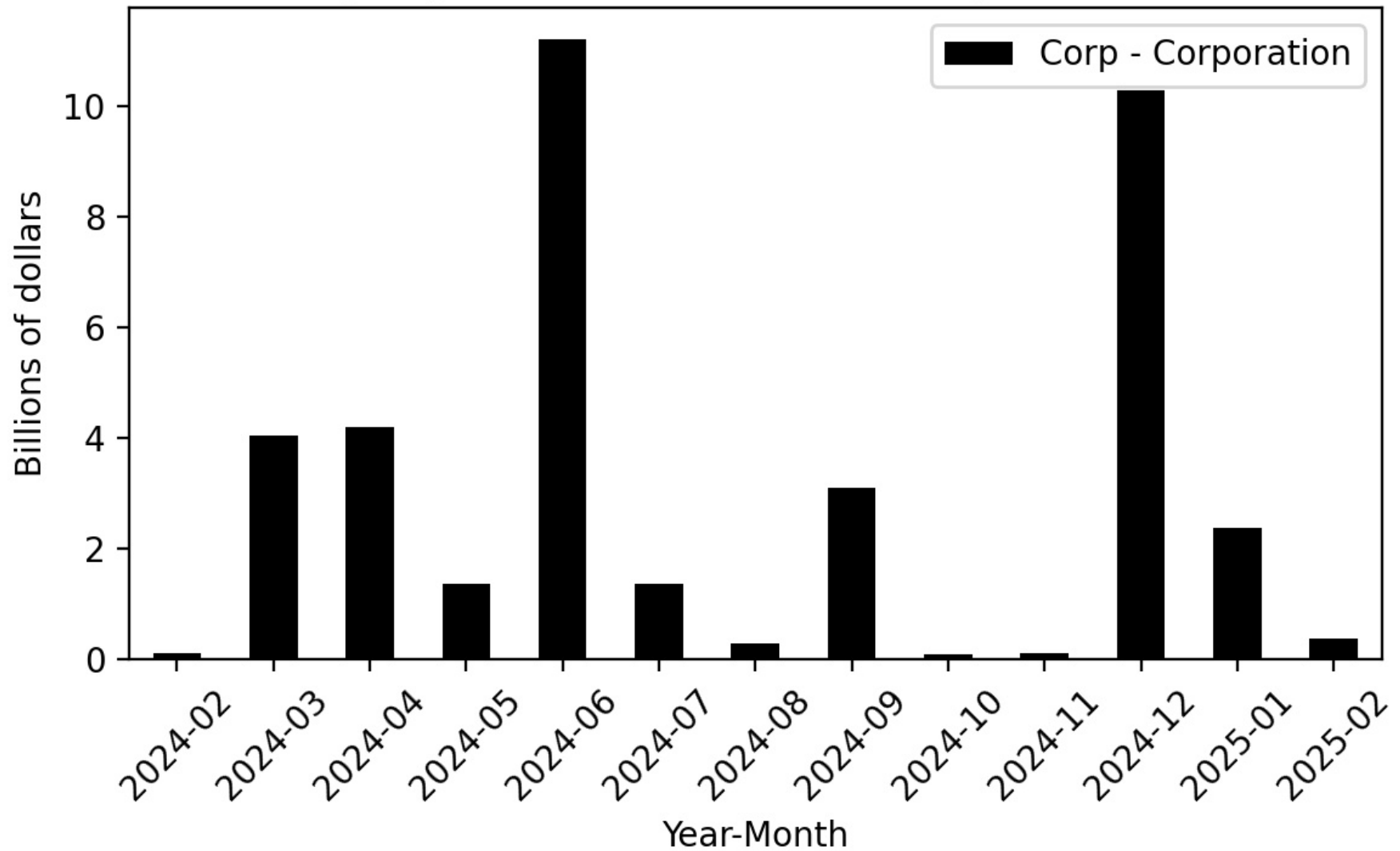


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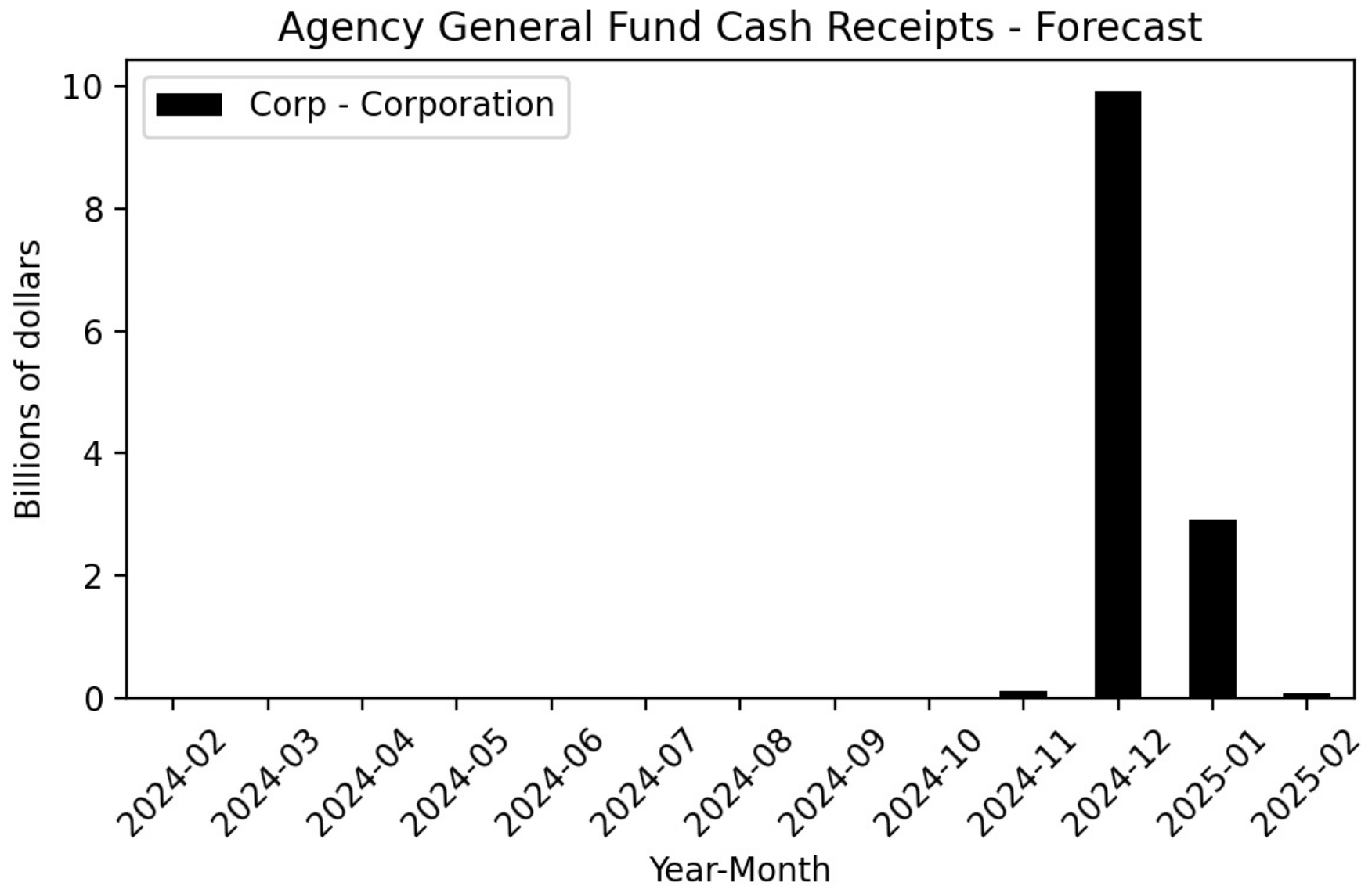


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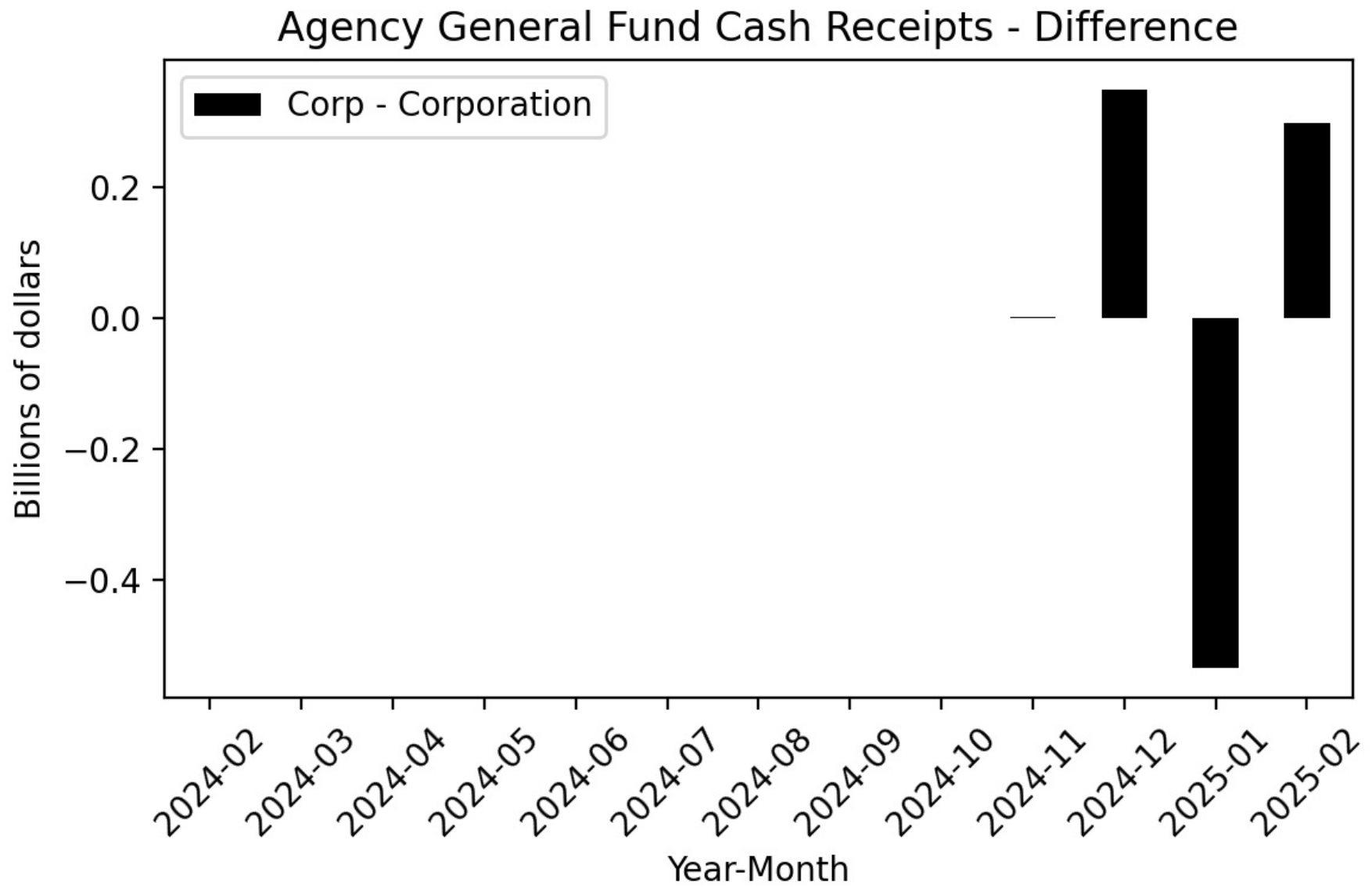


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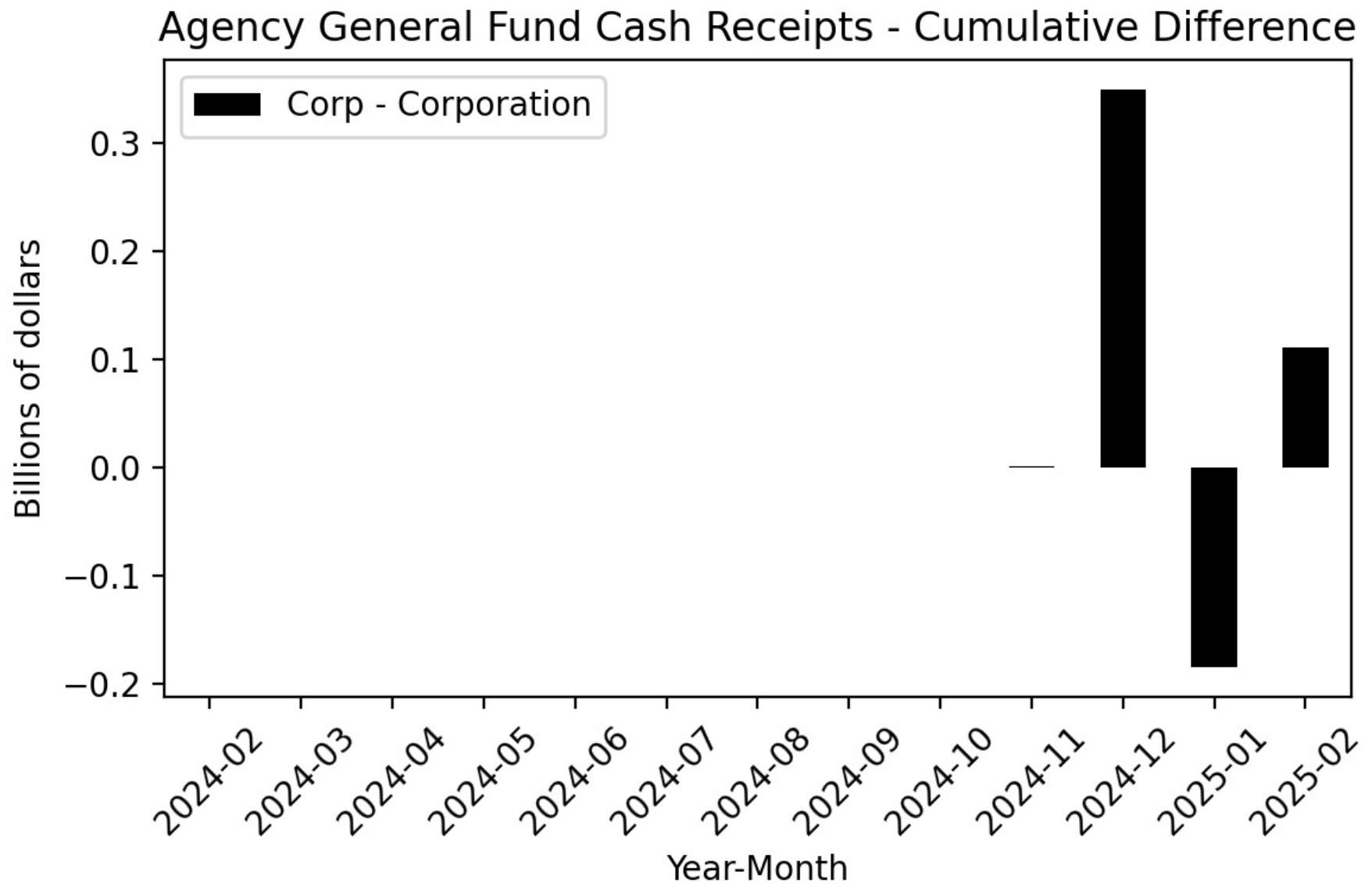


Figure 39

Year-Over-Year Change - Actual and 2024-25 Budget Act
Forecast Corp-Corporation

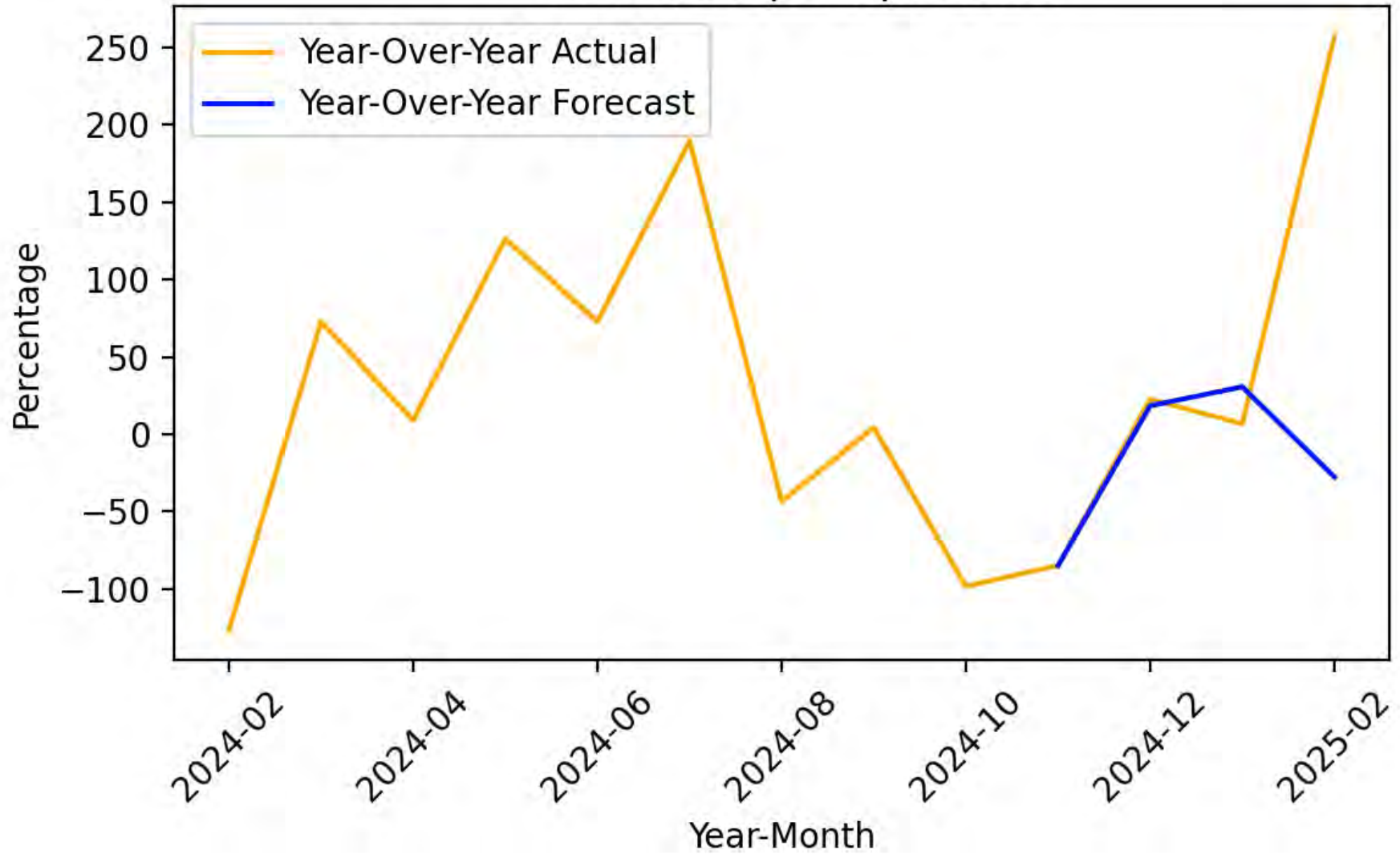


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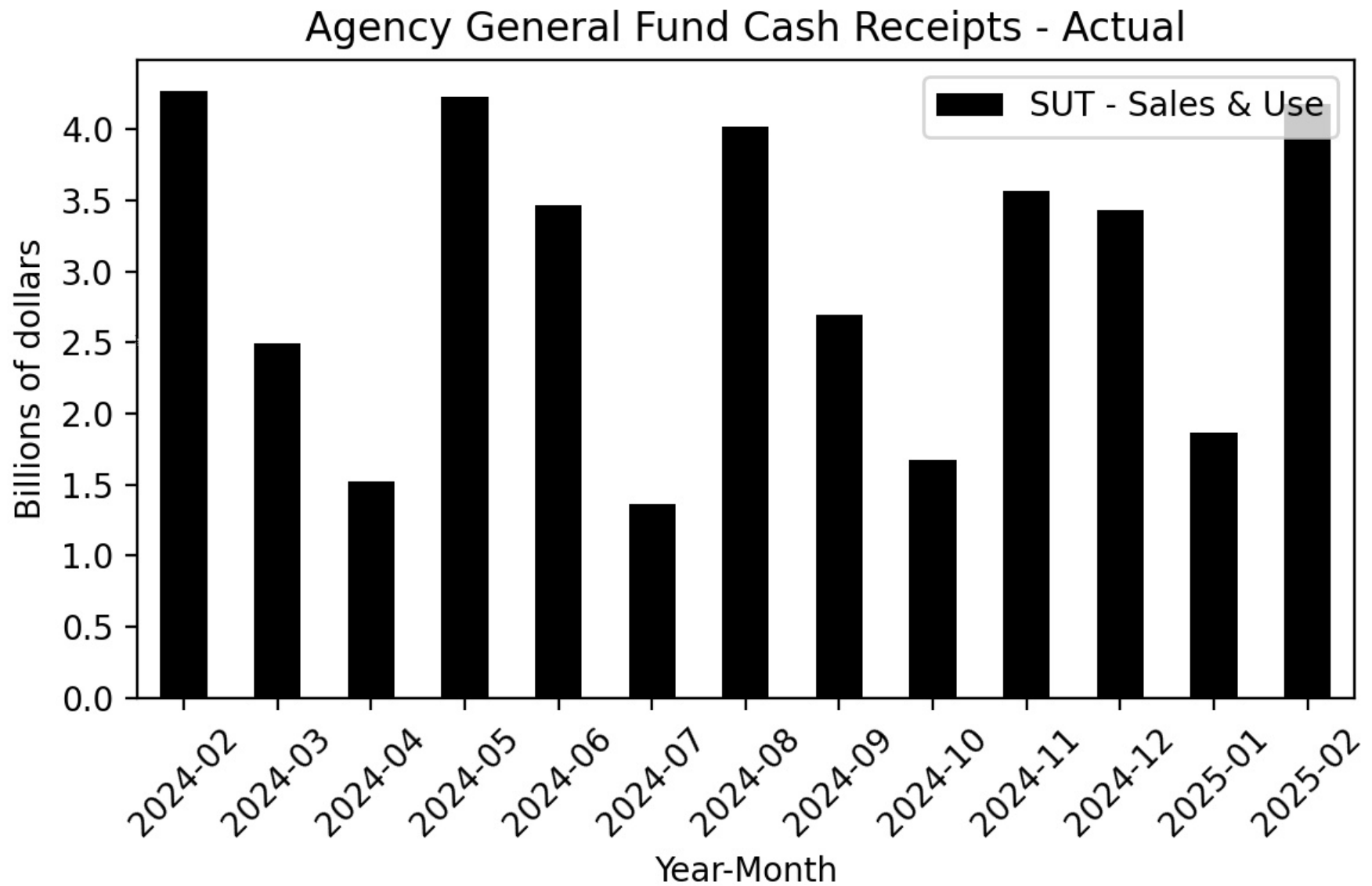


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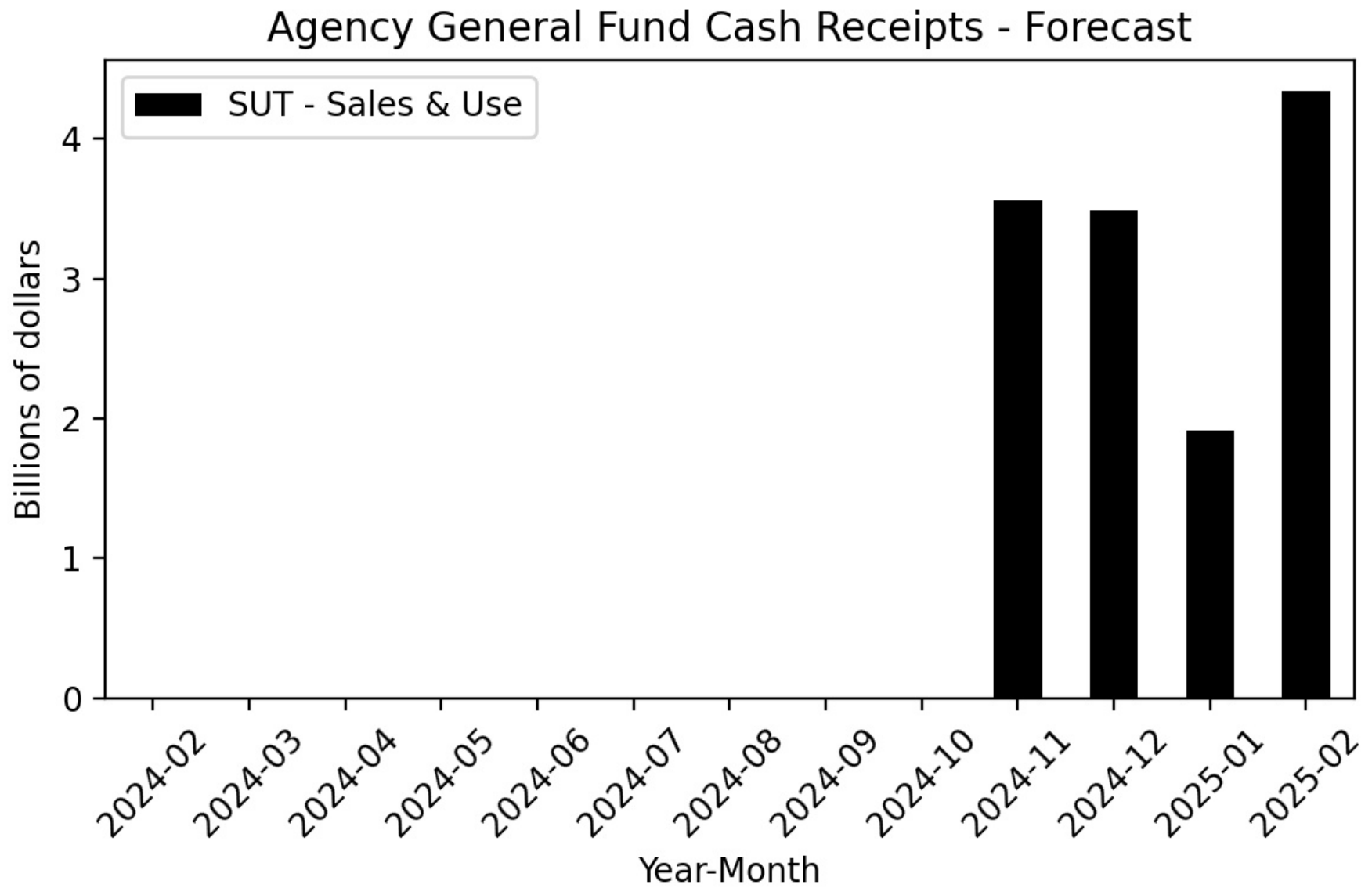


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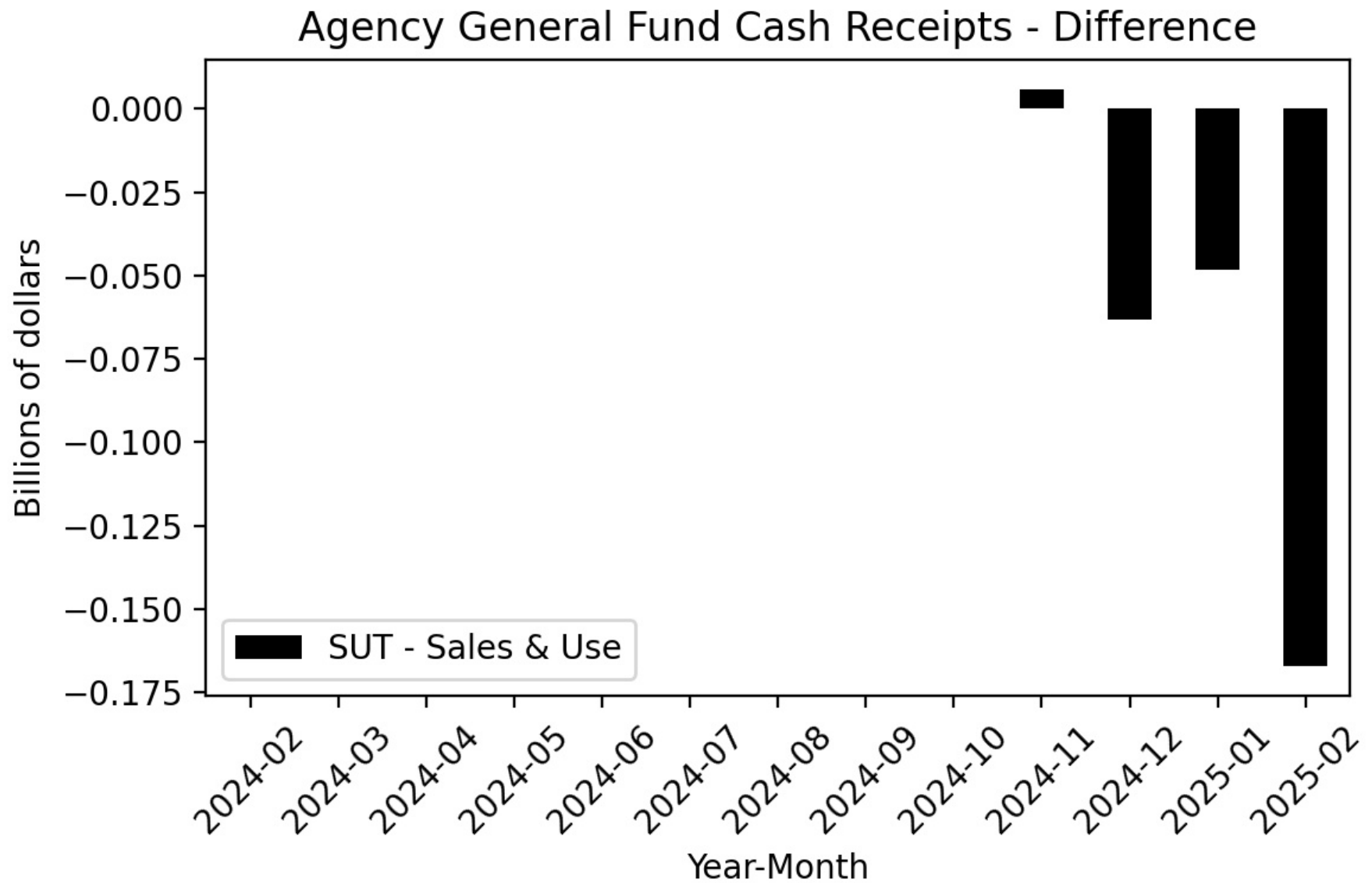


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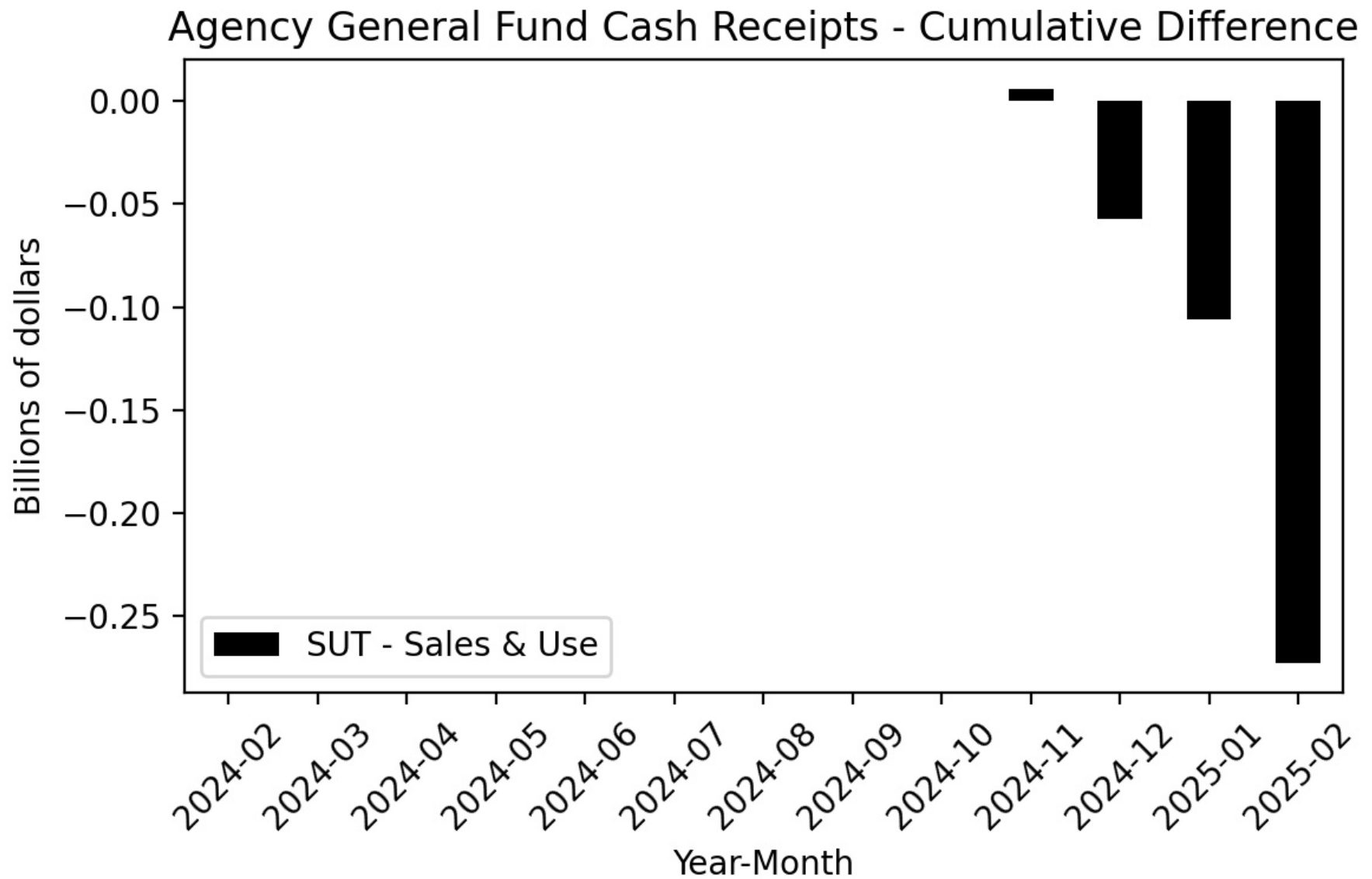


Figure 44

Year-Over-Year Change - Actual and 2024-25 Budget Act Forecast
SUT-Sales & Use

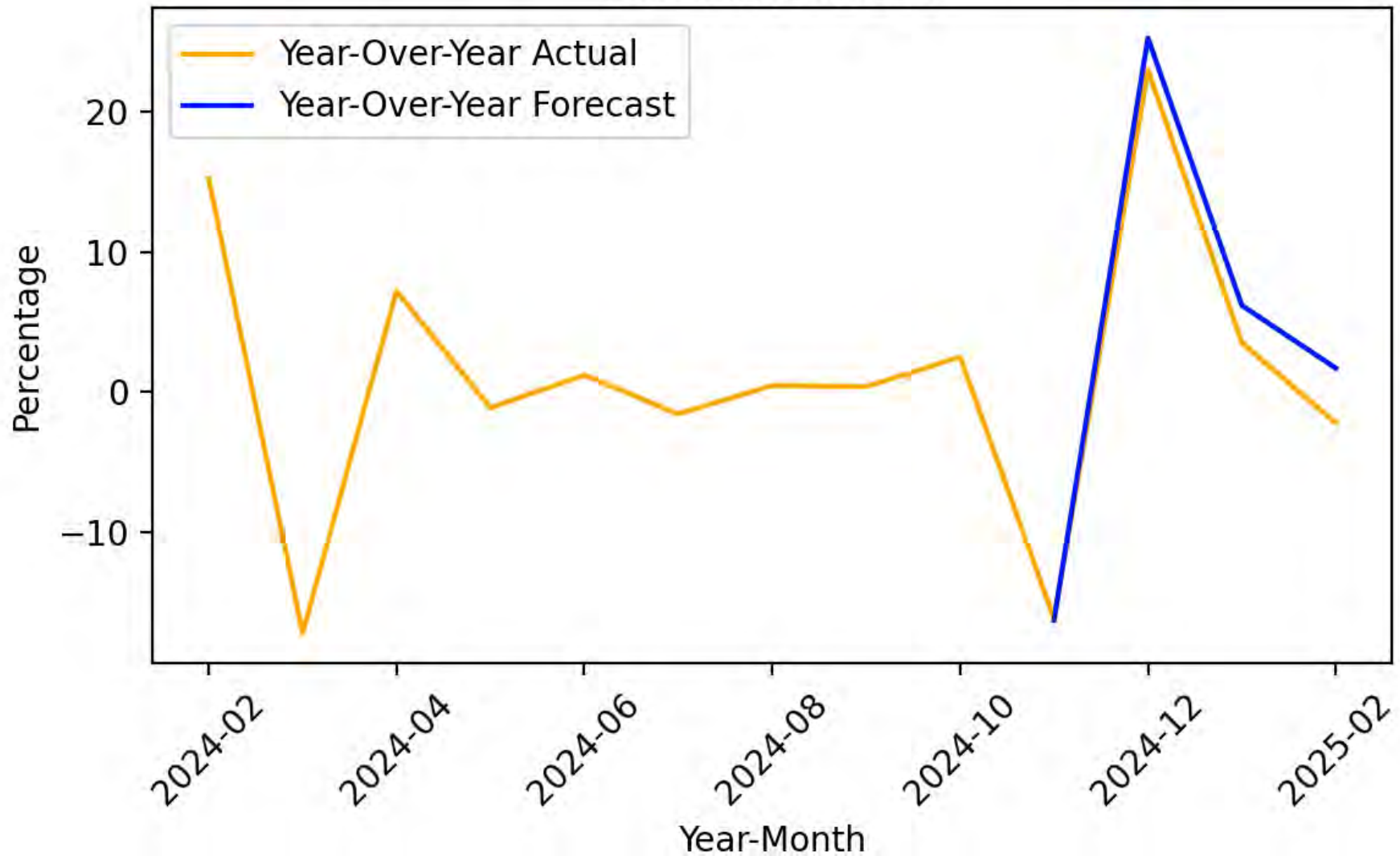


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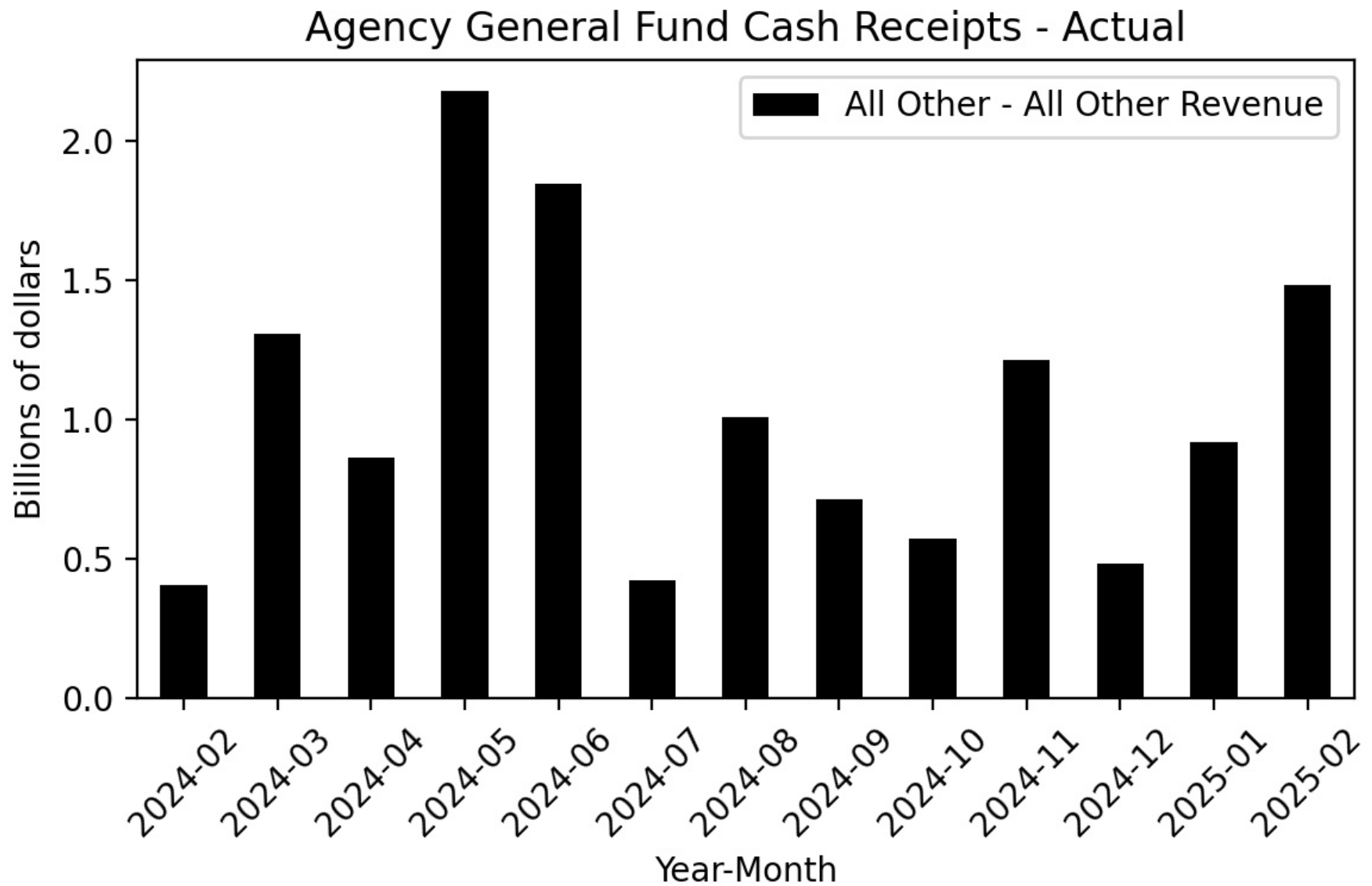


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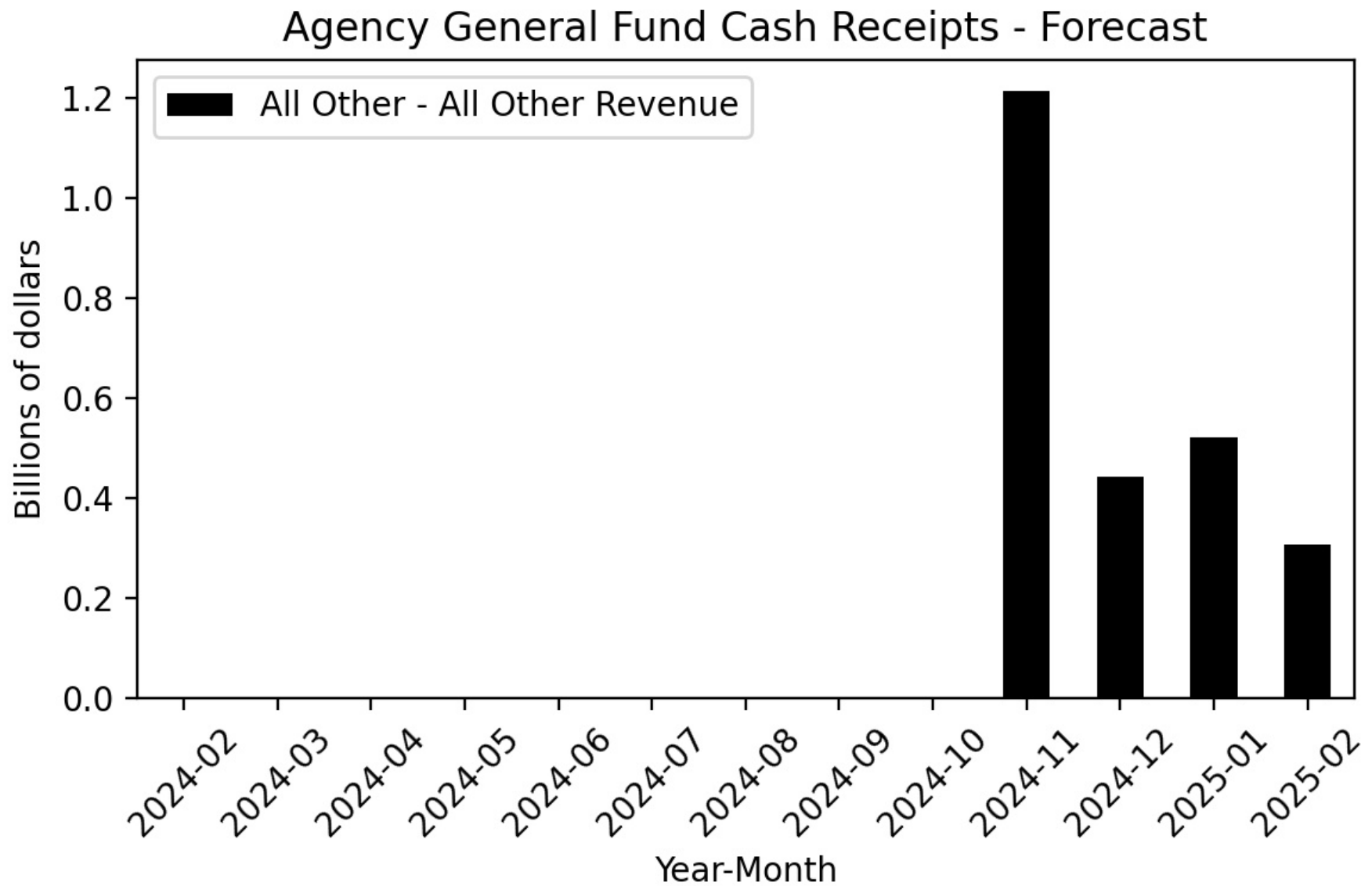


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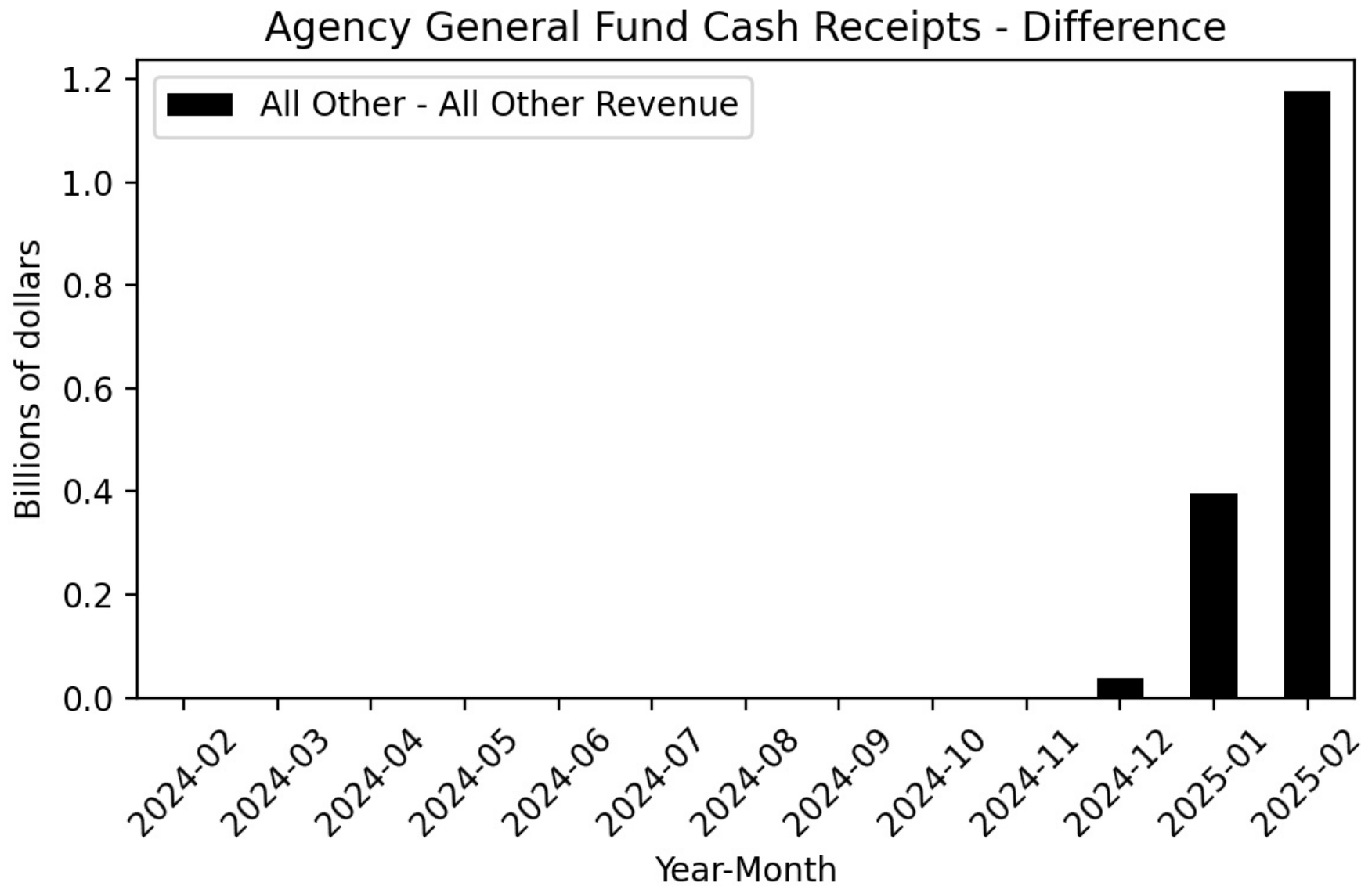


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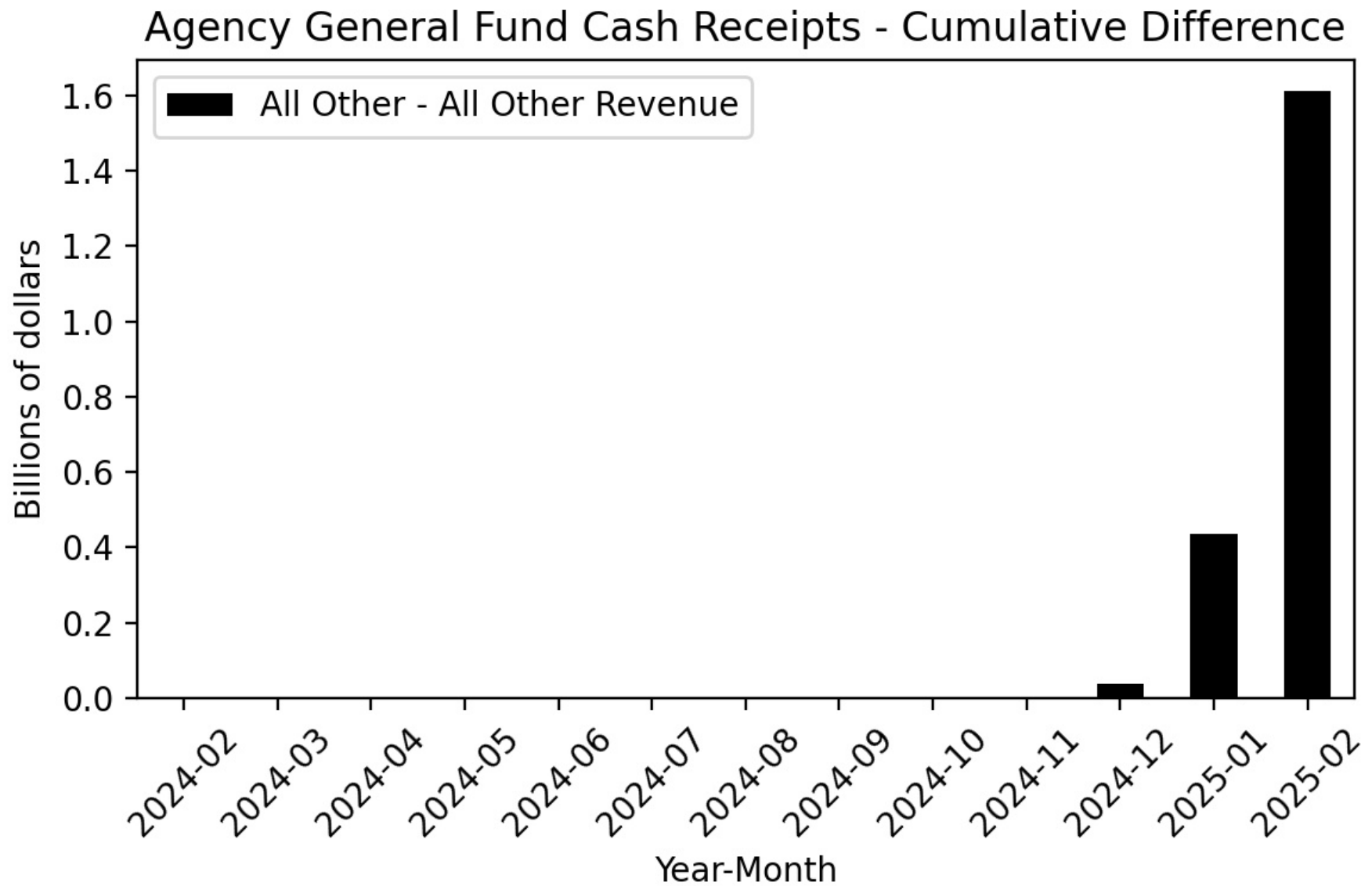


Figure 49

Year-Over-Year Change - Actual and 2024-25 Budget Act Forecast
All Other-All Other Revenue

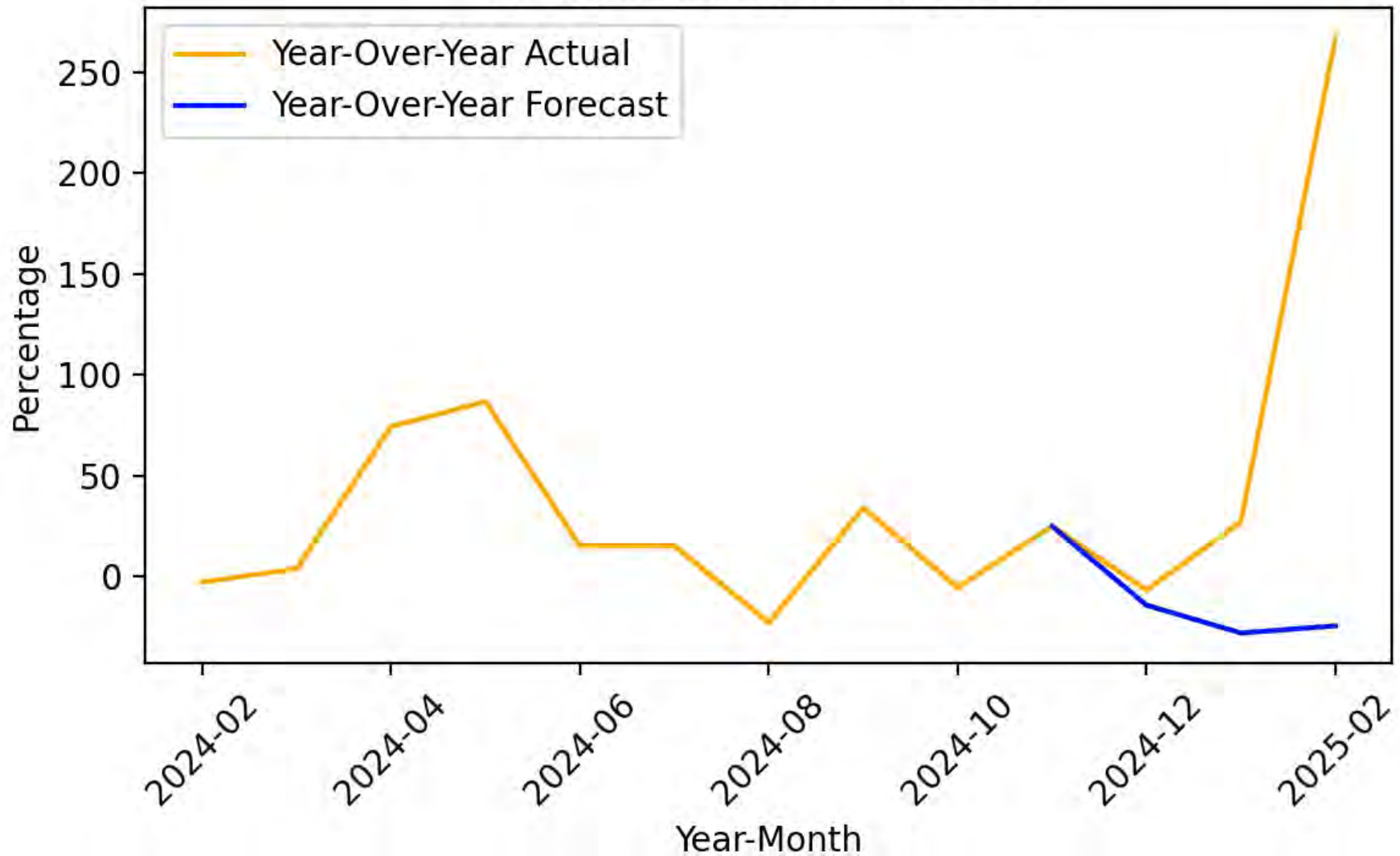


Figure 50

Personal Income Tax - Agency General Fund Revenues (Actual)

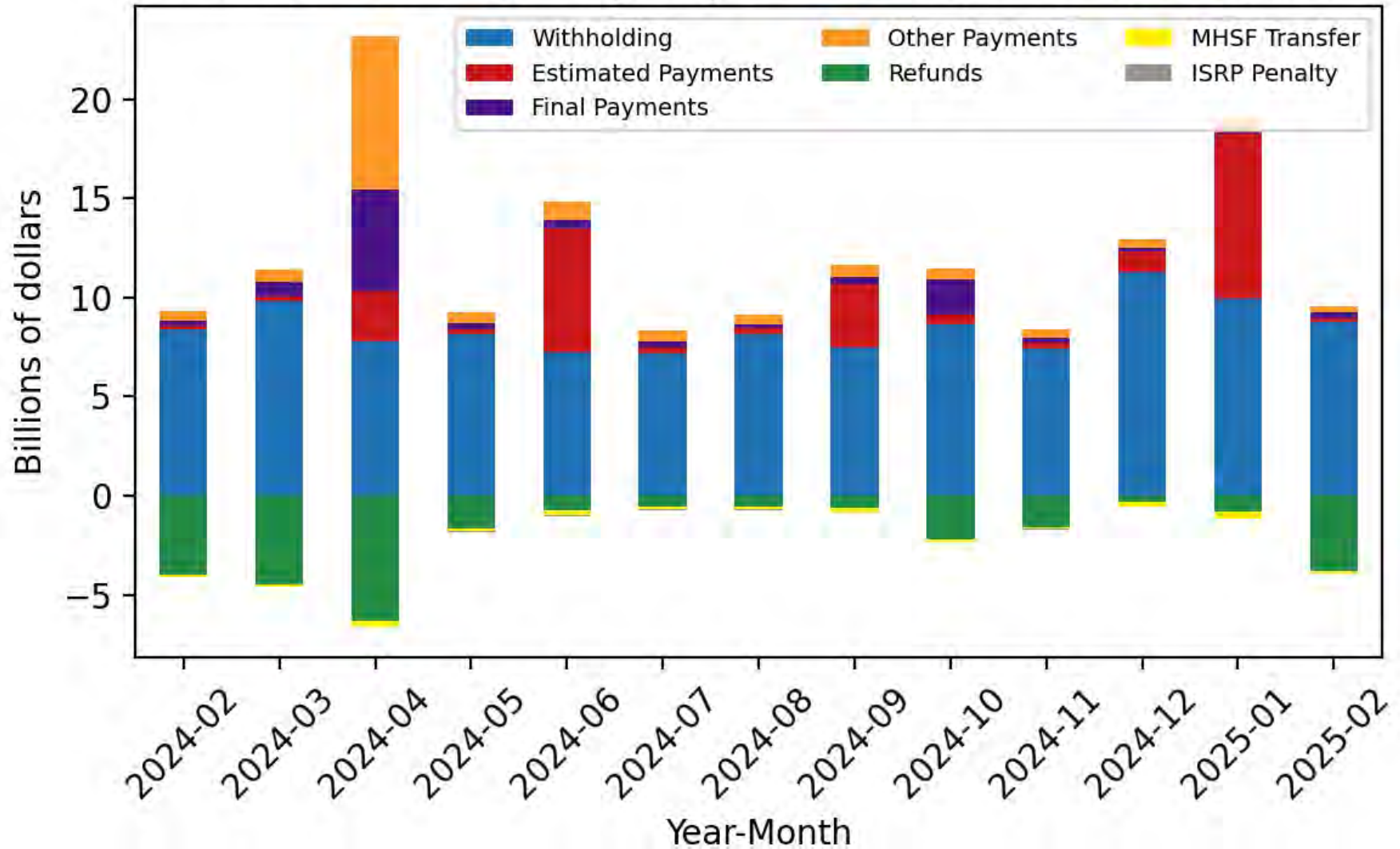


Figure 51

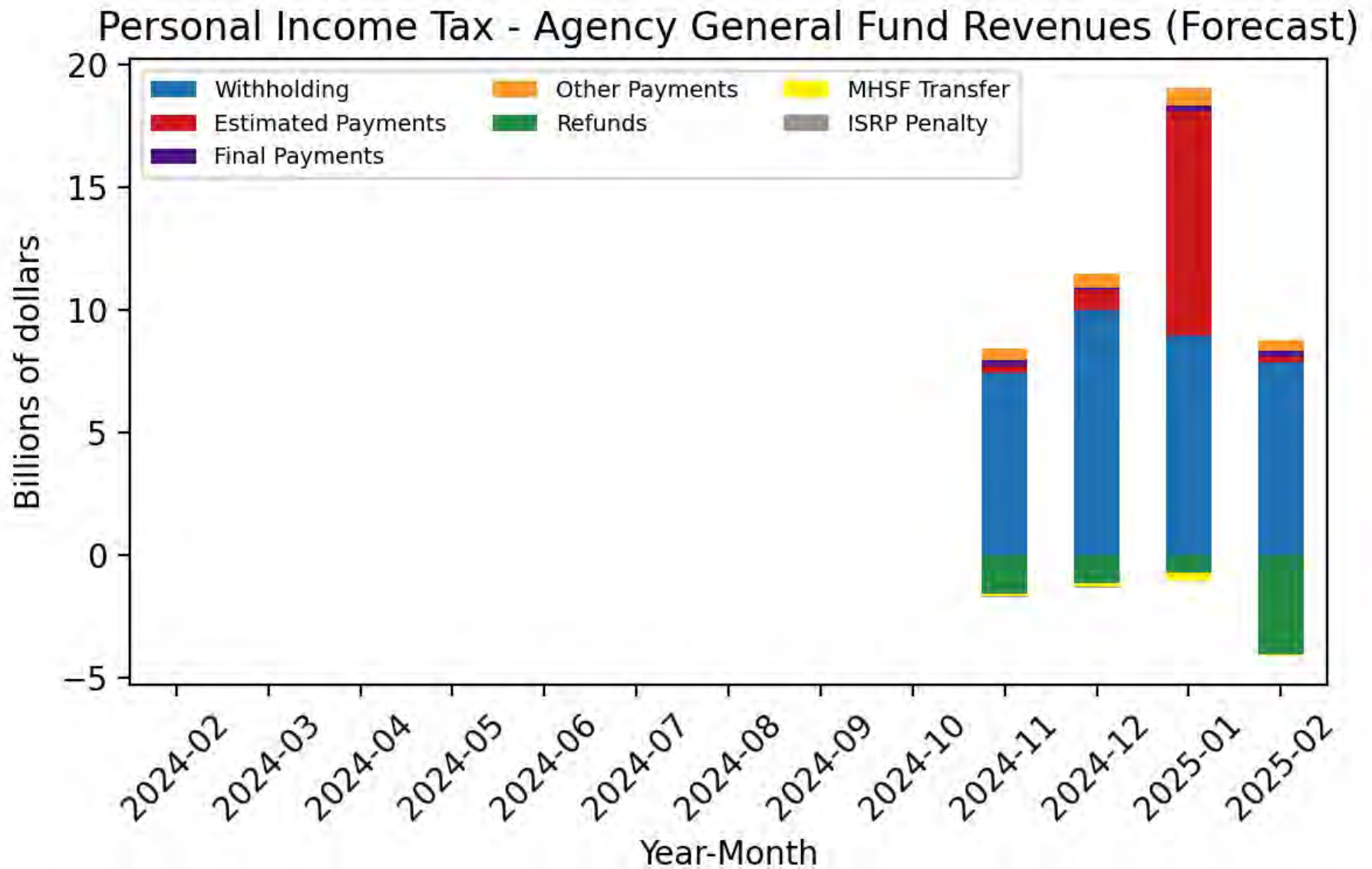


Figure 52

**Personal Income Tax - Agency General Fund Revenues
(Difference)**

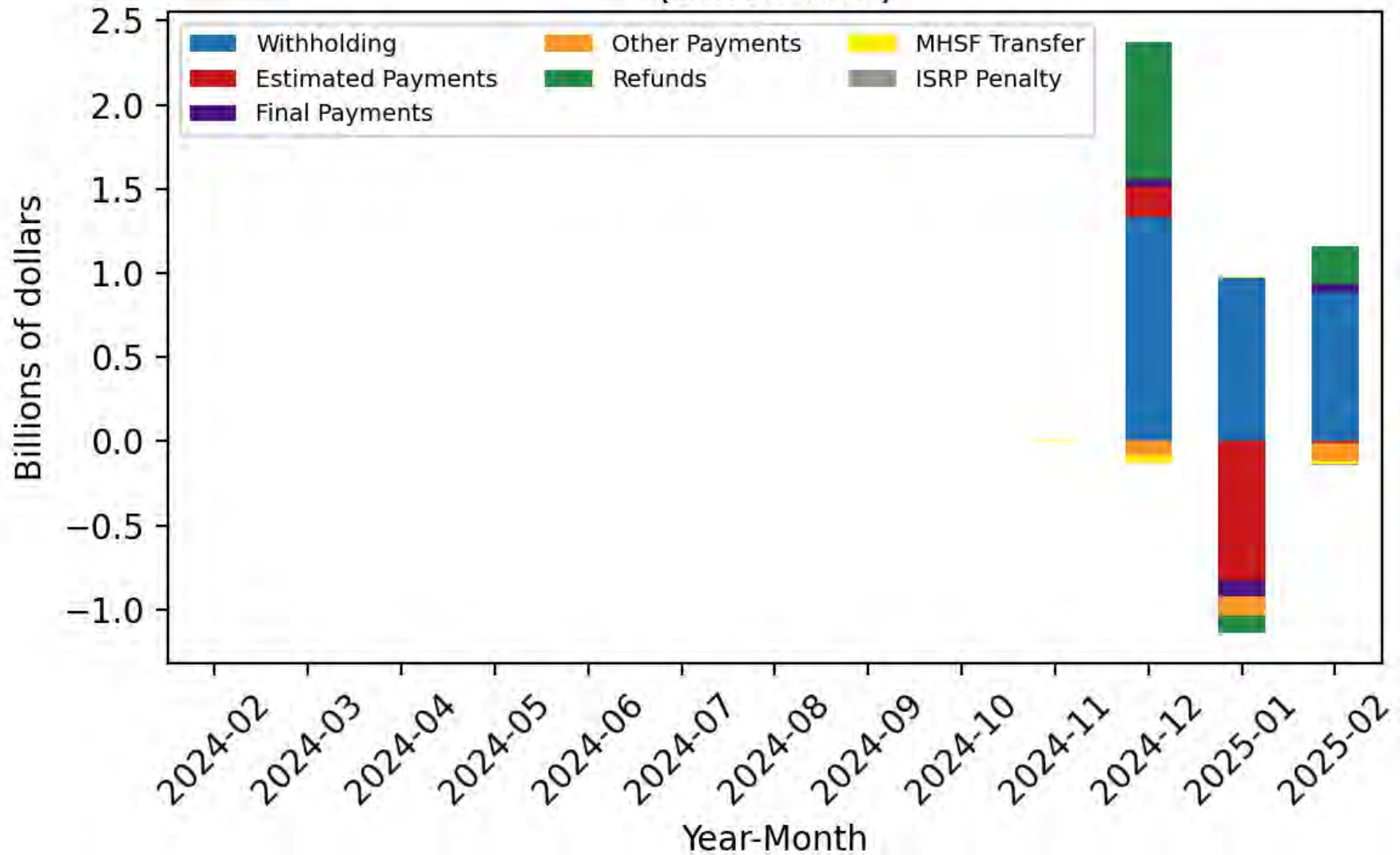


Figure 53

**Personal Income Tax - Agency General Fund Revenues
(Cumulative Difference)**

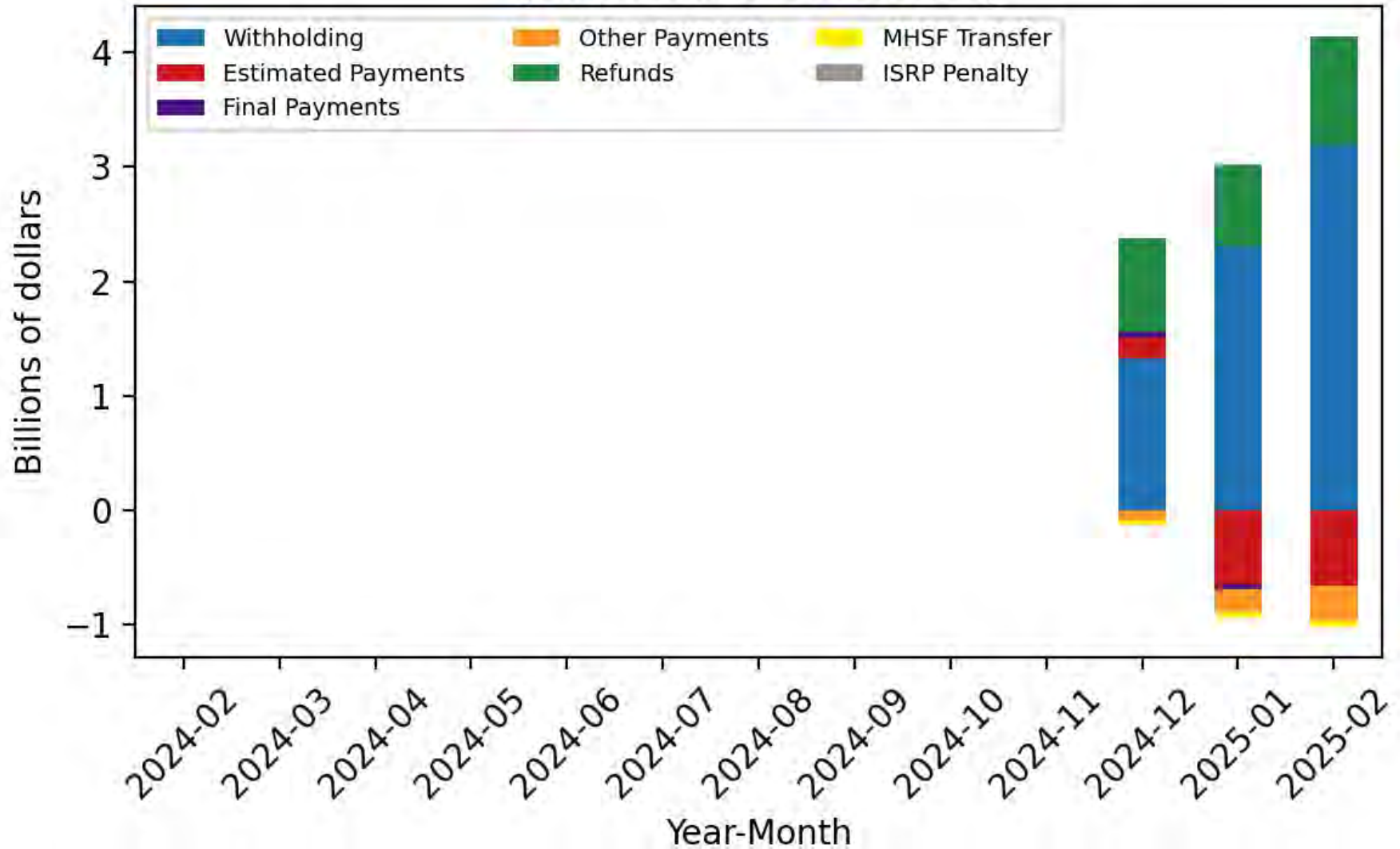


Figure 54

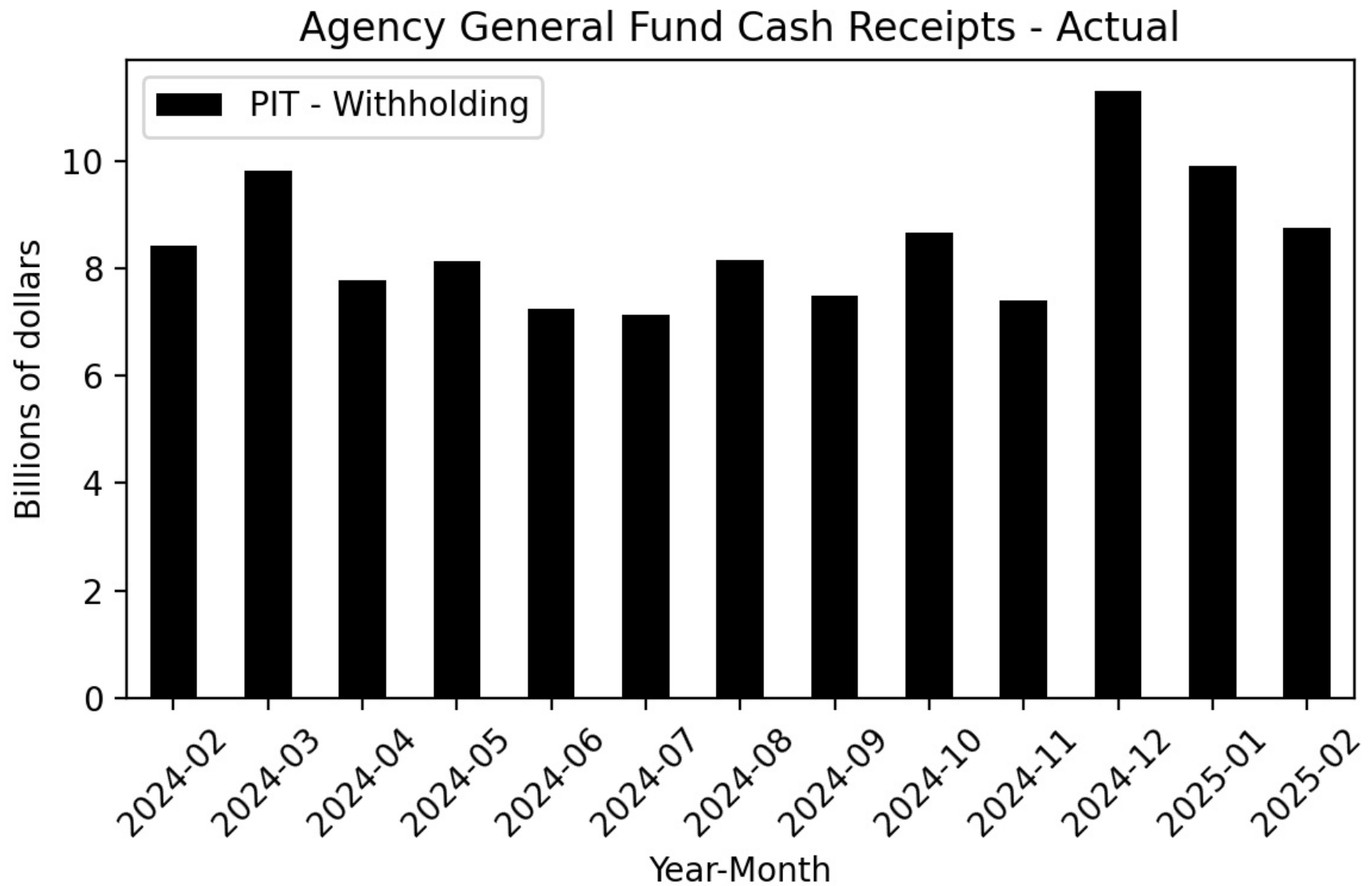


Figure 55

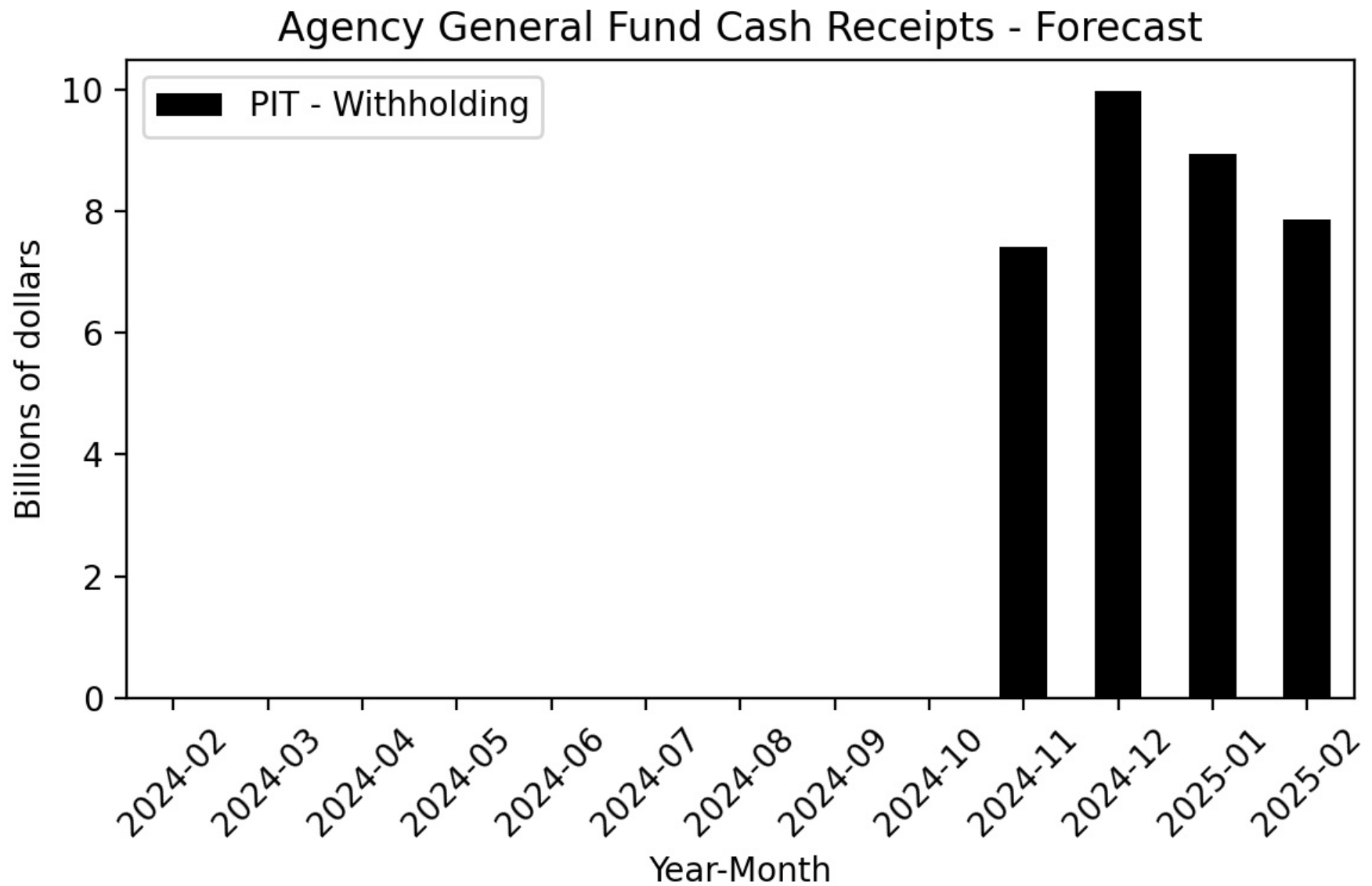


Figure 56

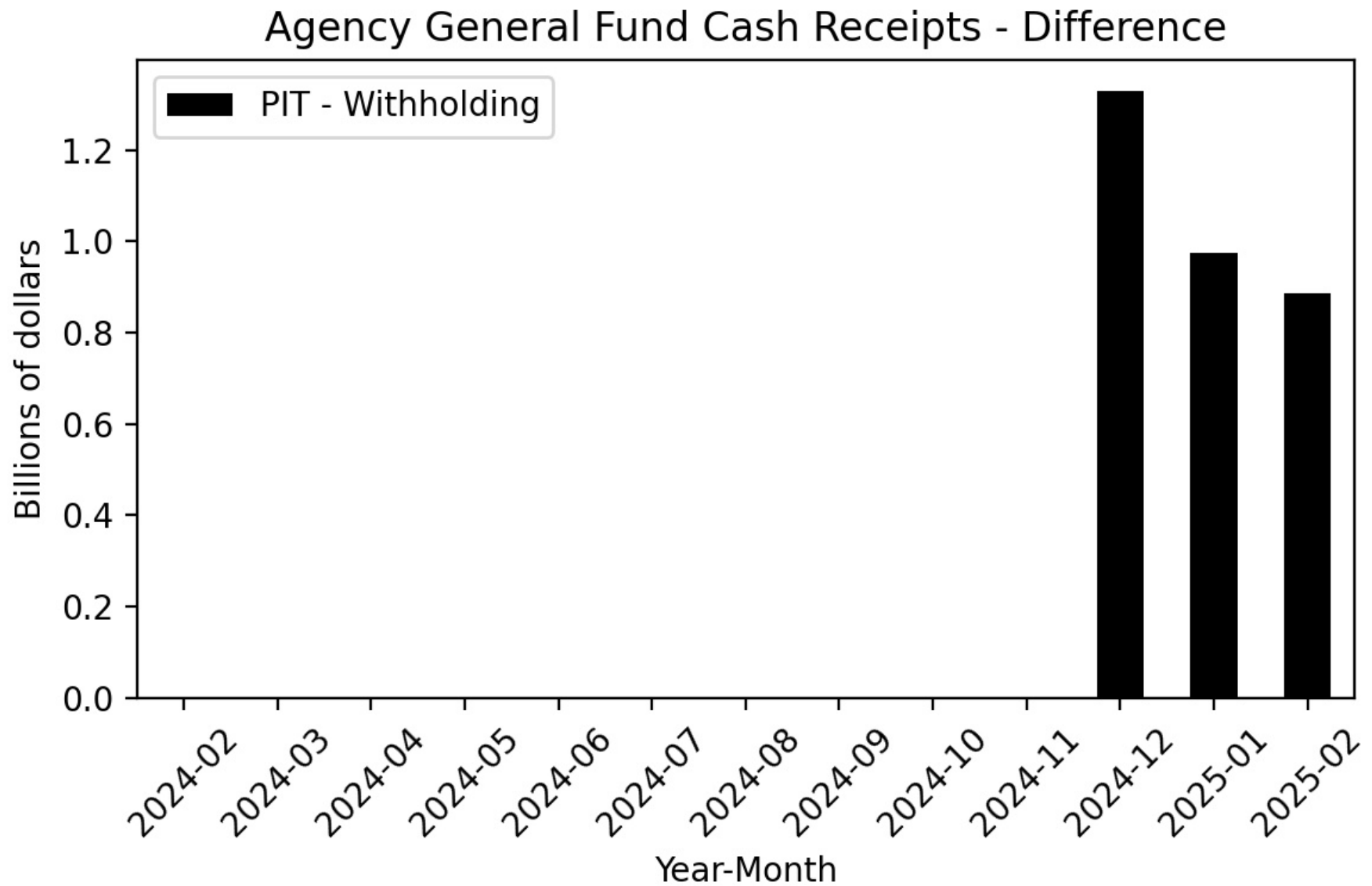


Figure 57

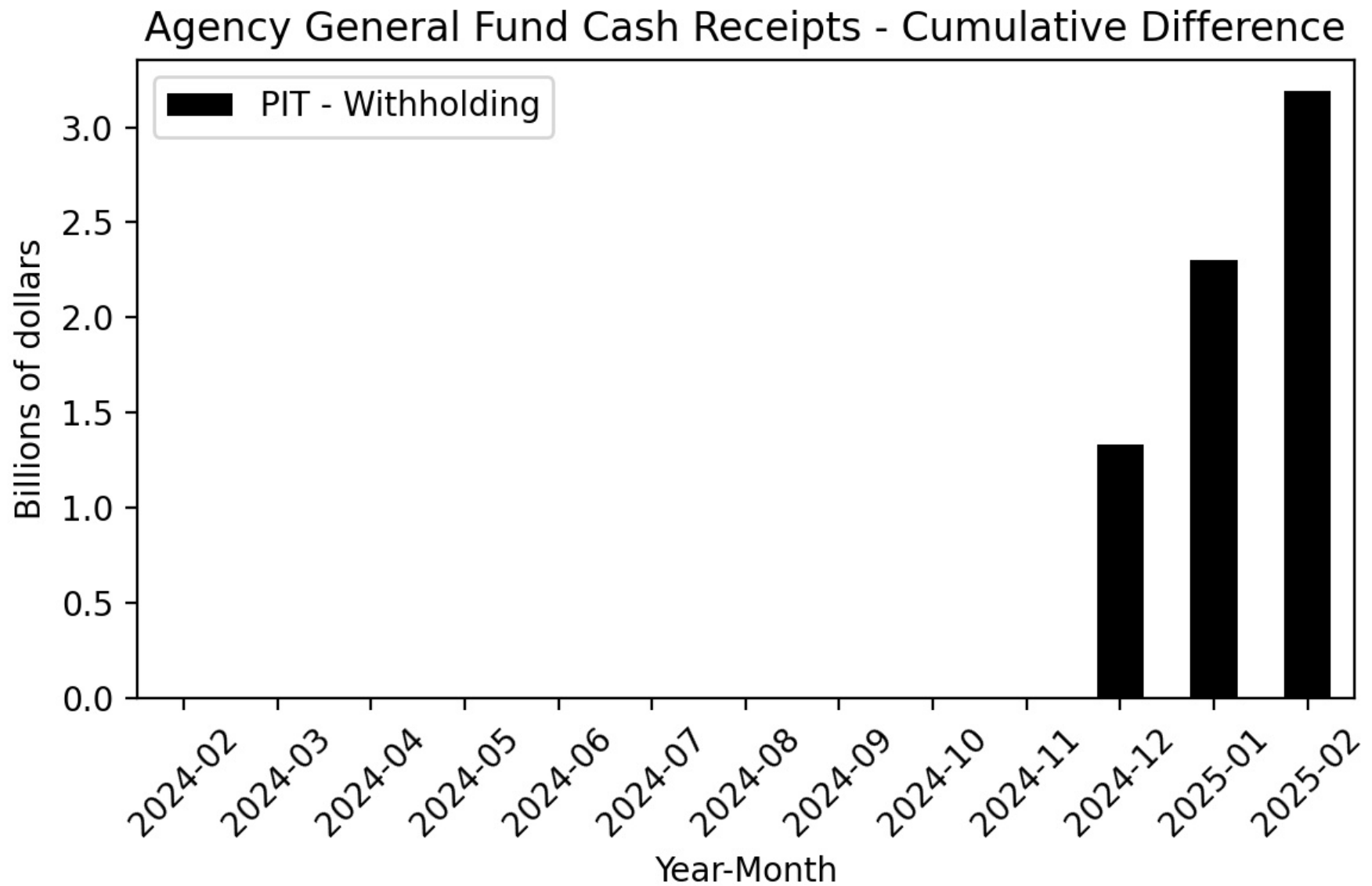


Figure 58

Year-Over-Year Change - Actual and 2024-25 Budget Act Forecast
PIT-Withholding

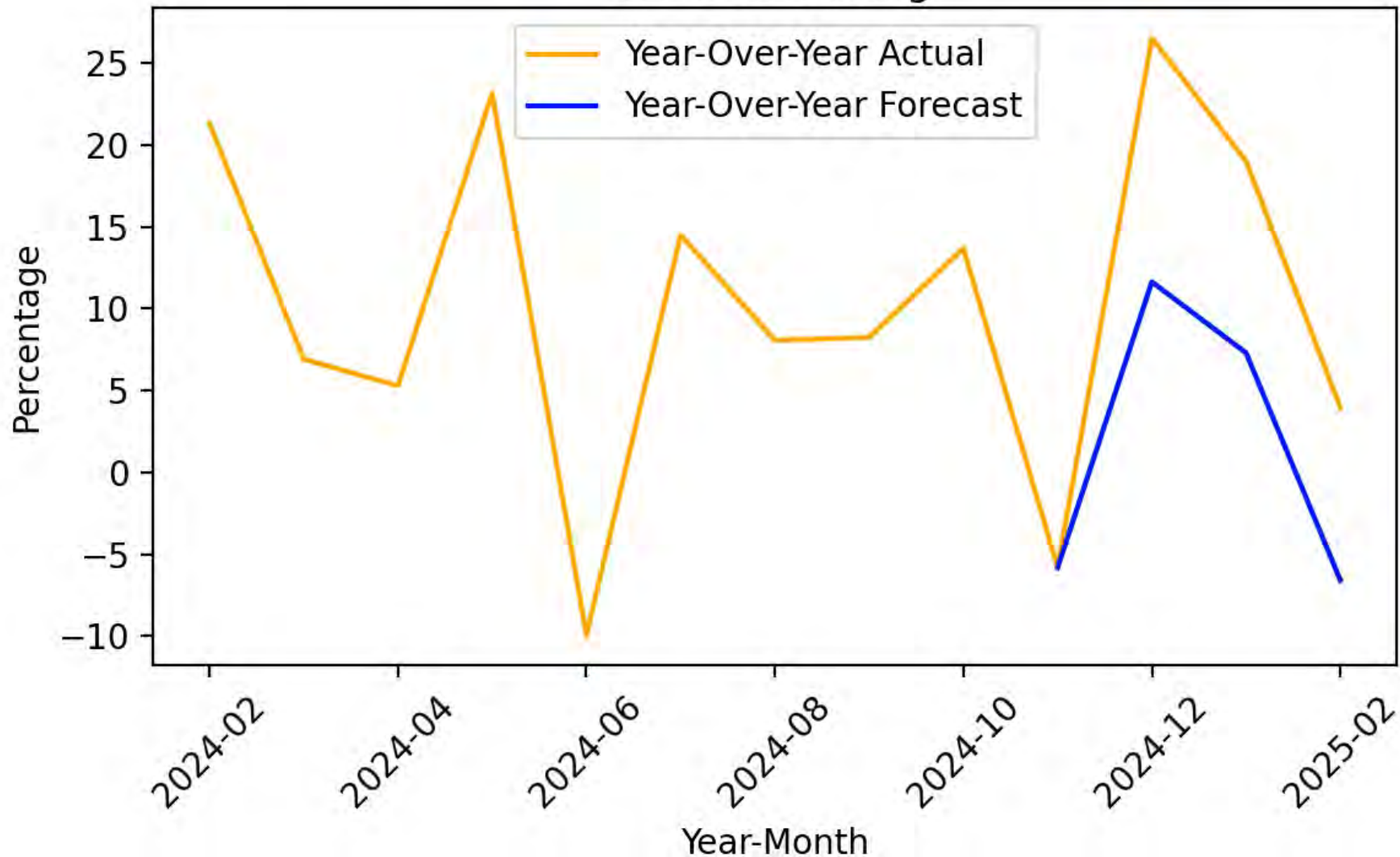


Figure 59

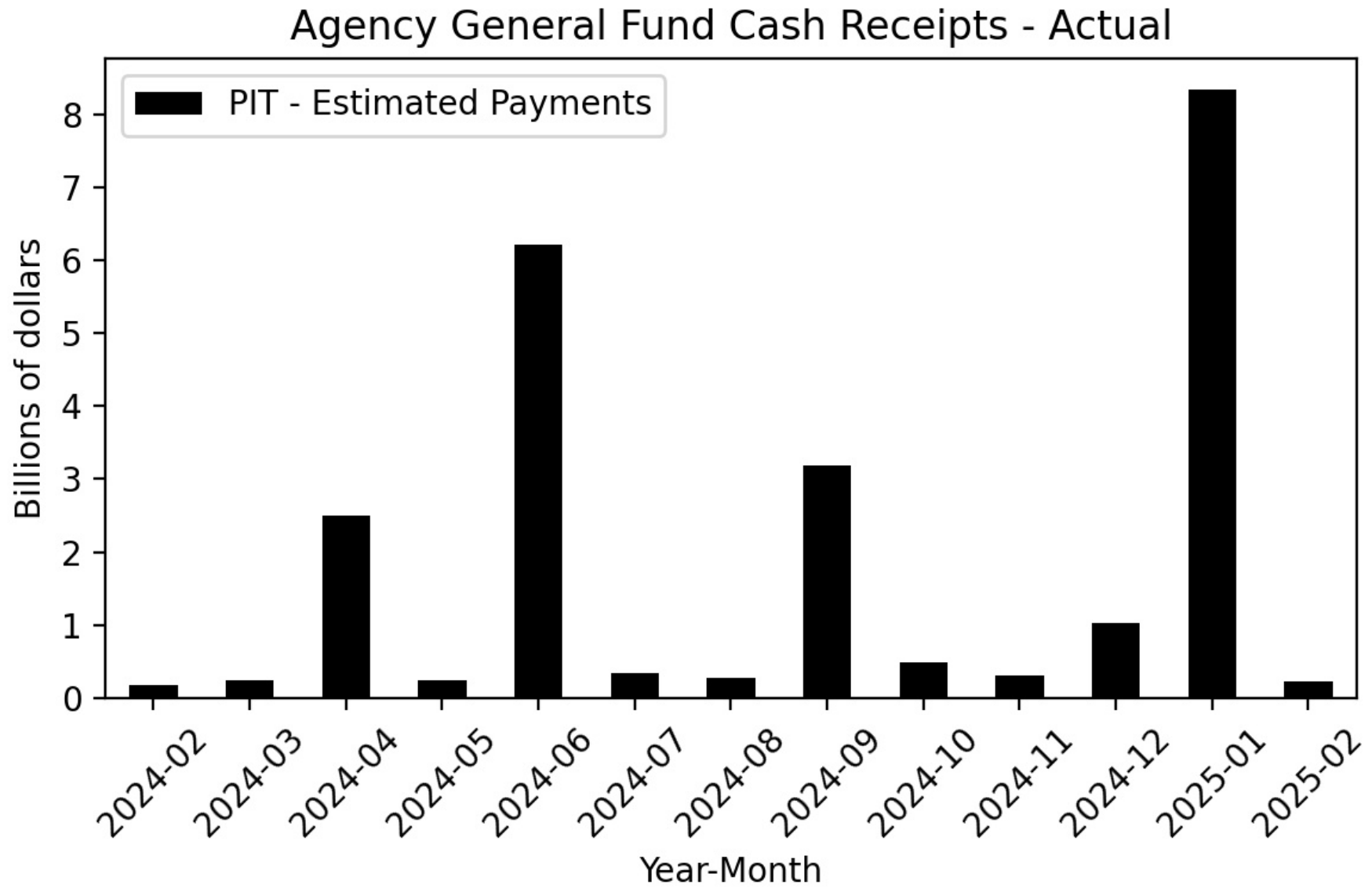


Figure 60

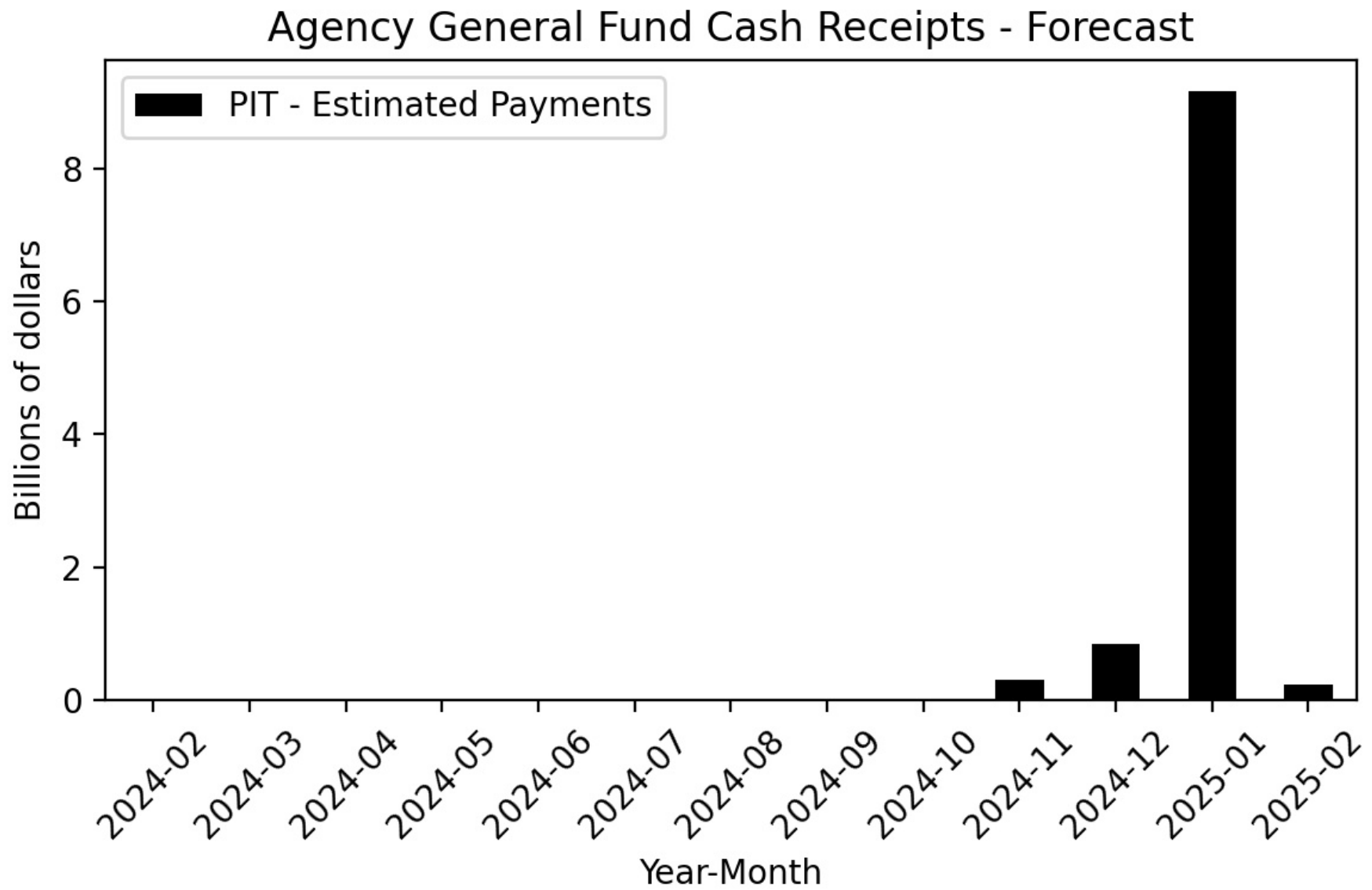


Figure 61

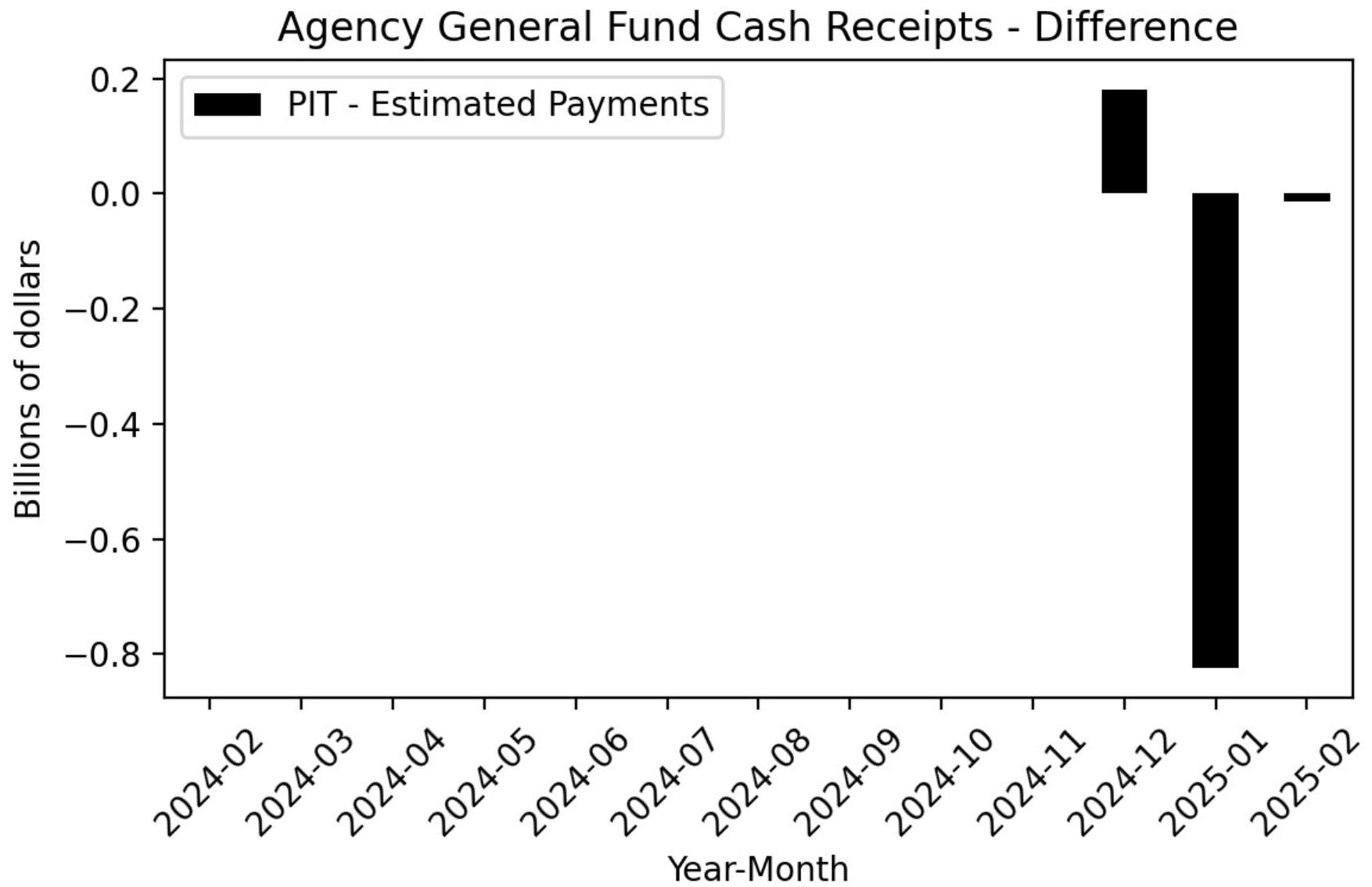


Figure 62

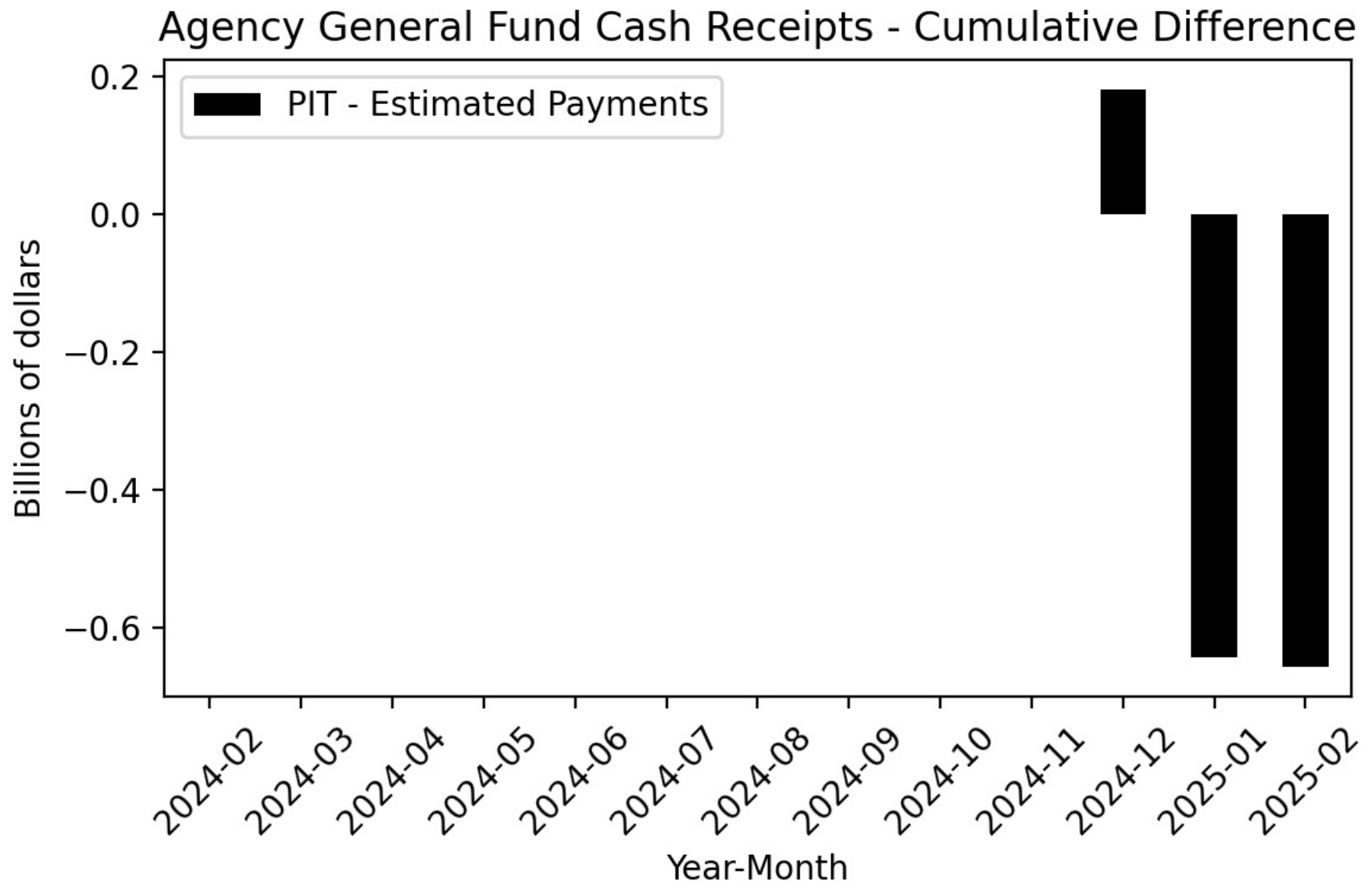


Figure 63

Year-Over-Year Change - Actual and 2024-25 Budget Act
Forecast PIT-Estimated Payments

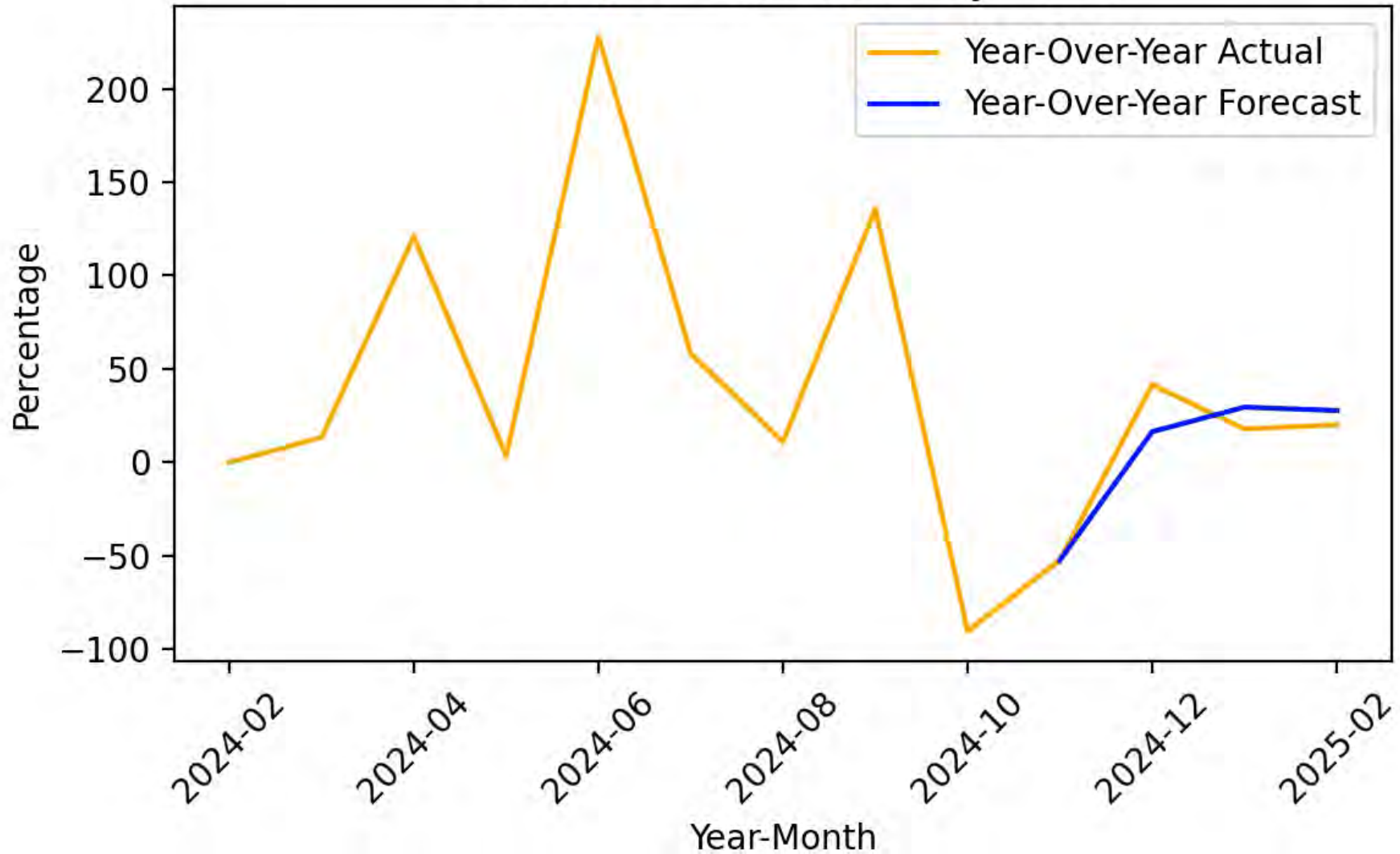


Figure 64

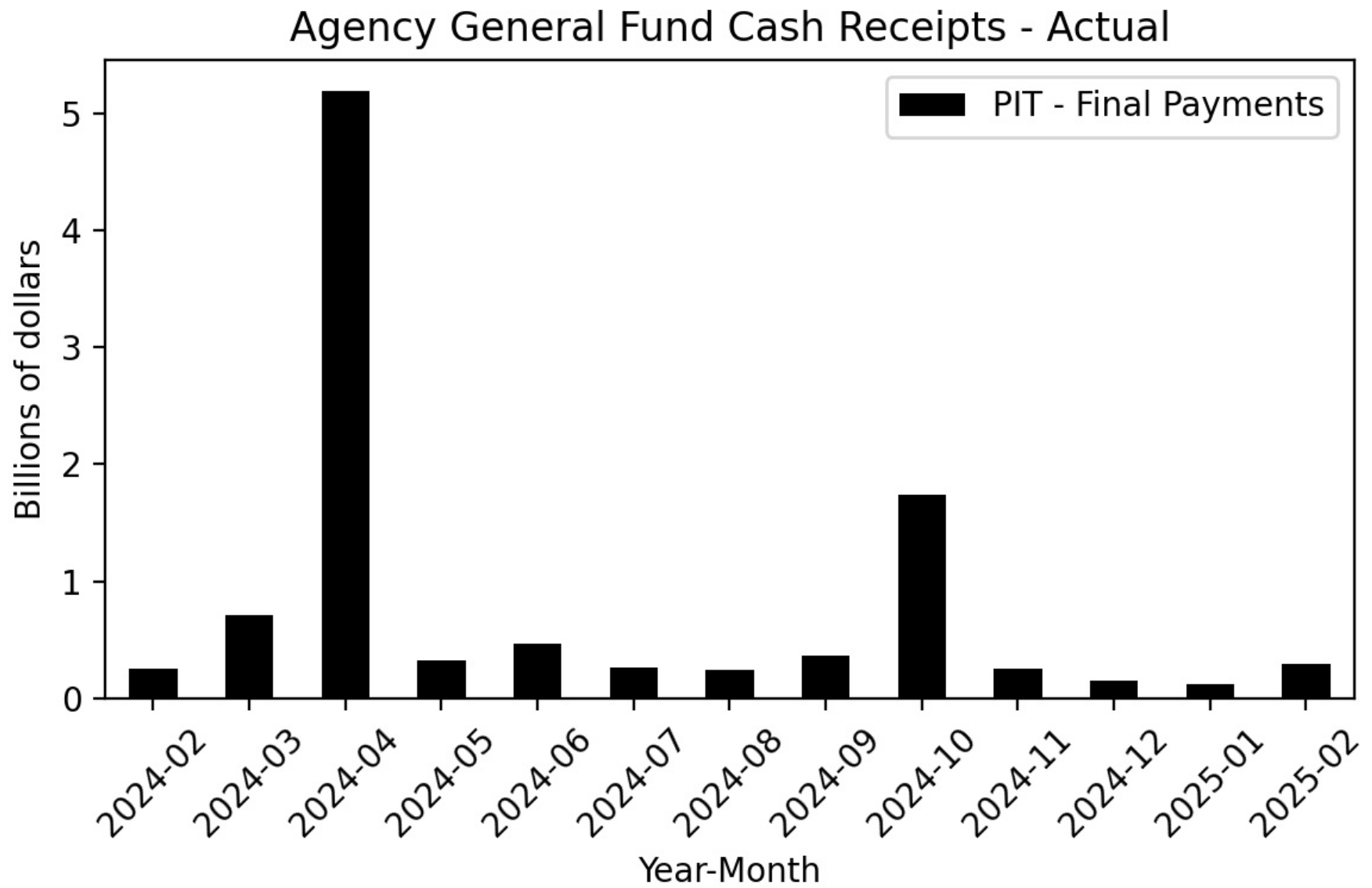


Figure 65

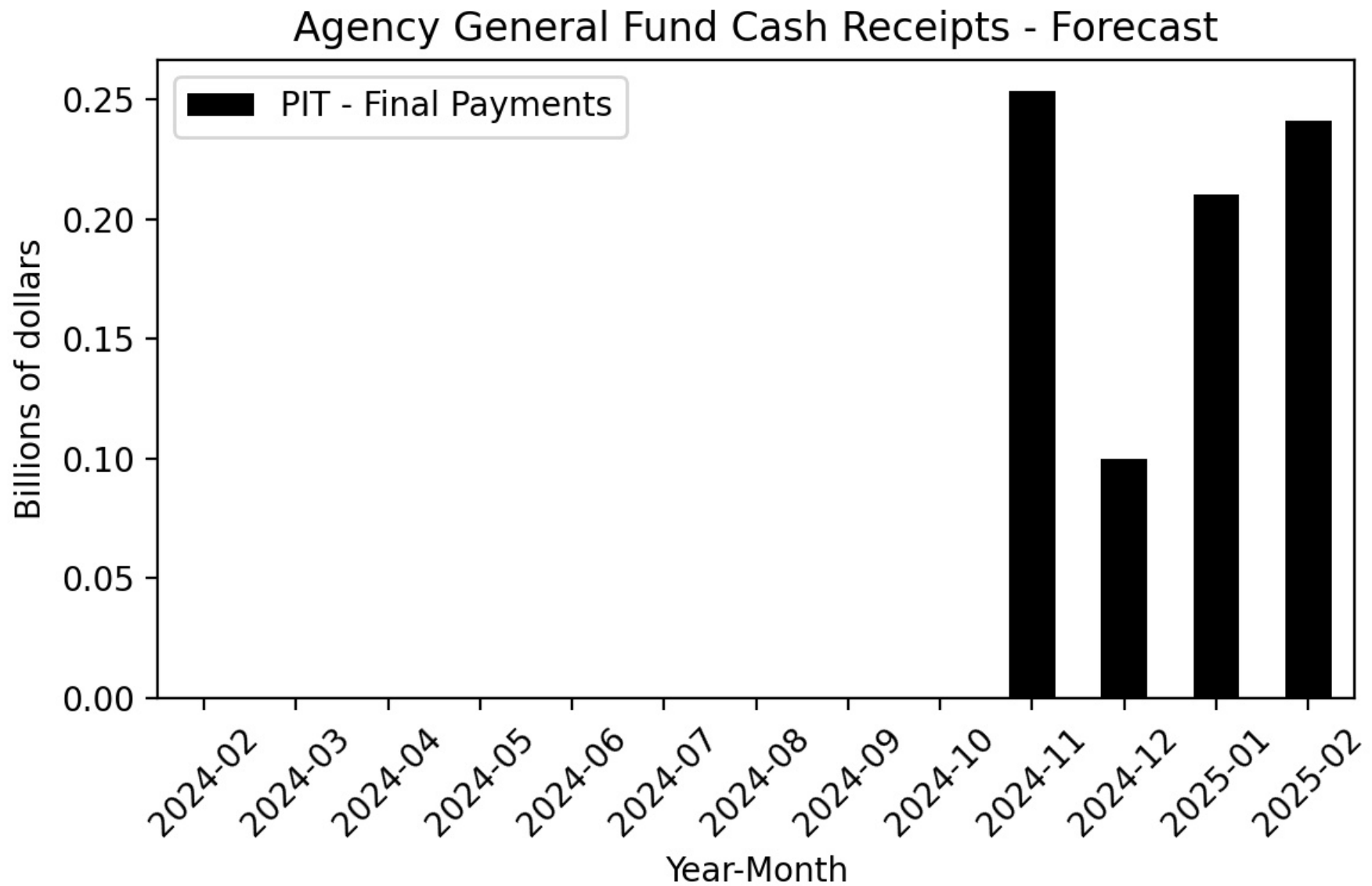


Figure 66

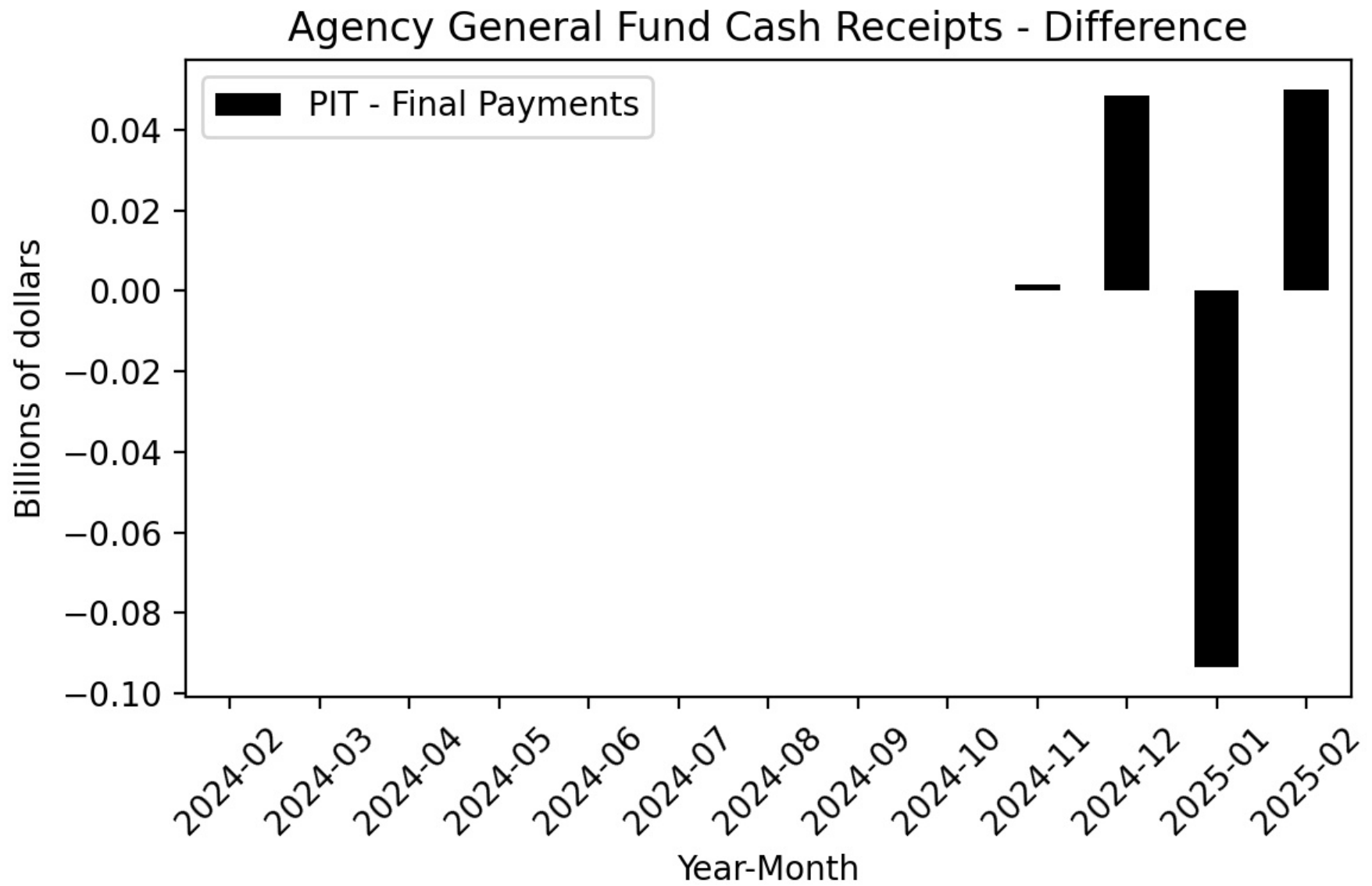


Figure 67

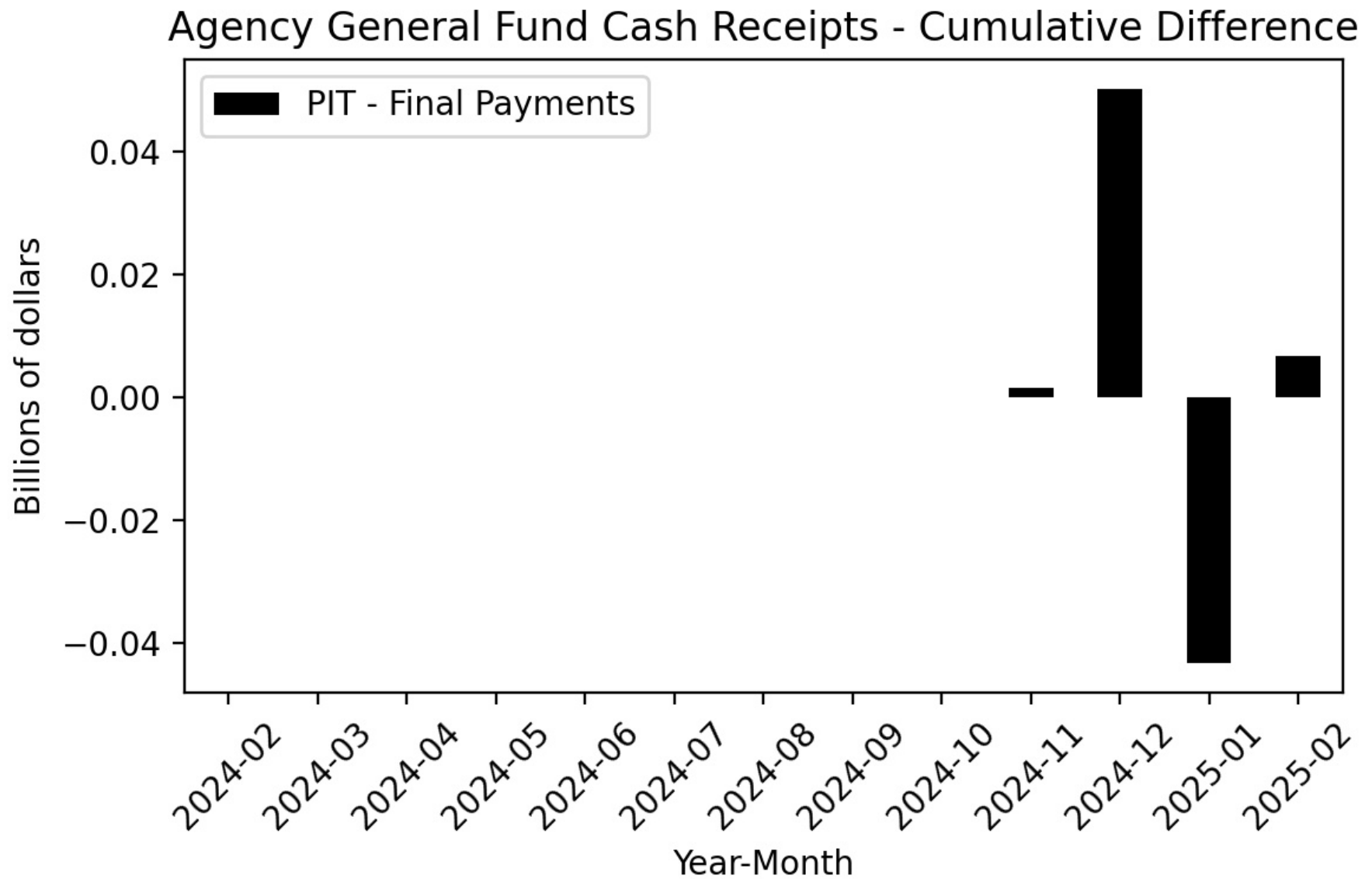


Figure 68

Year-Over-Year Change - Actual and 2024-25 Budget Act Forecast
PIT-Final Payments

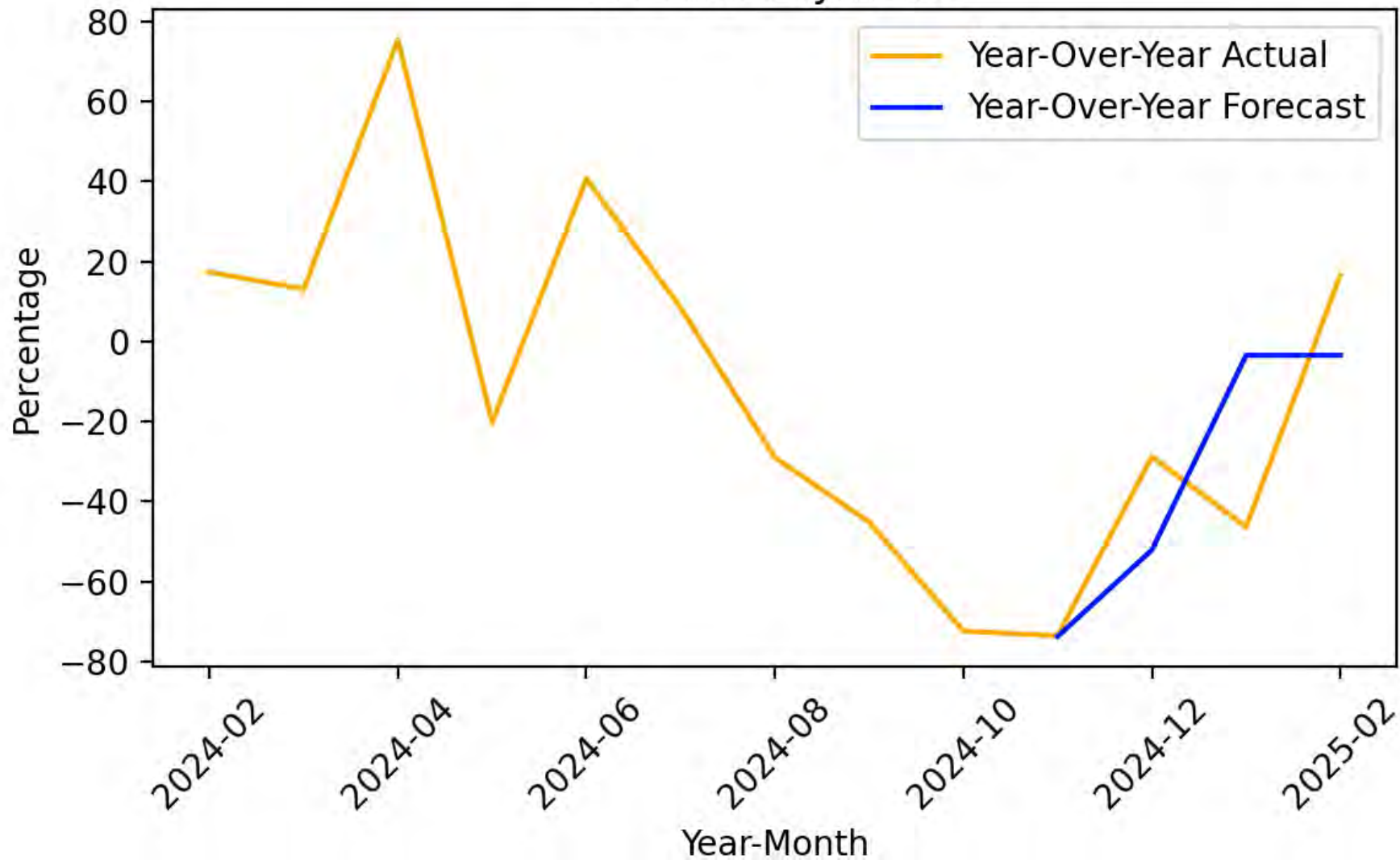


Figure 69

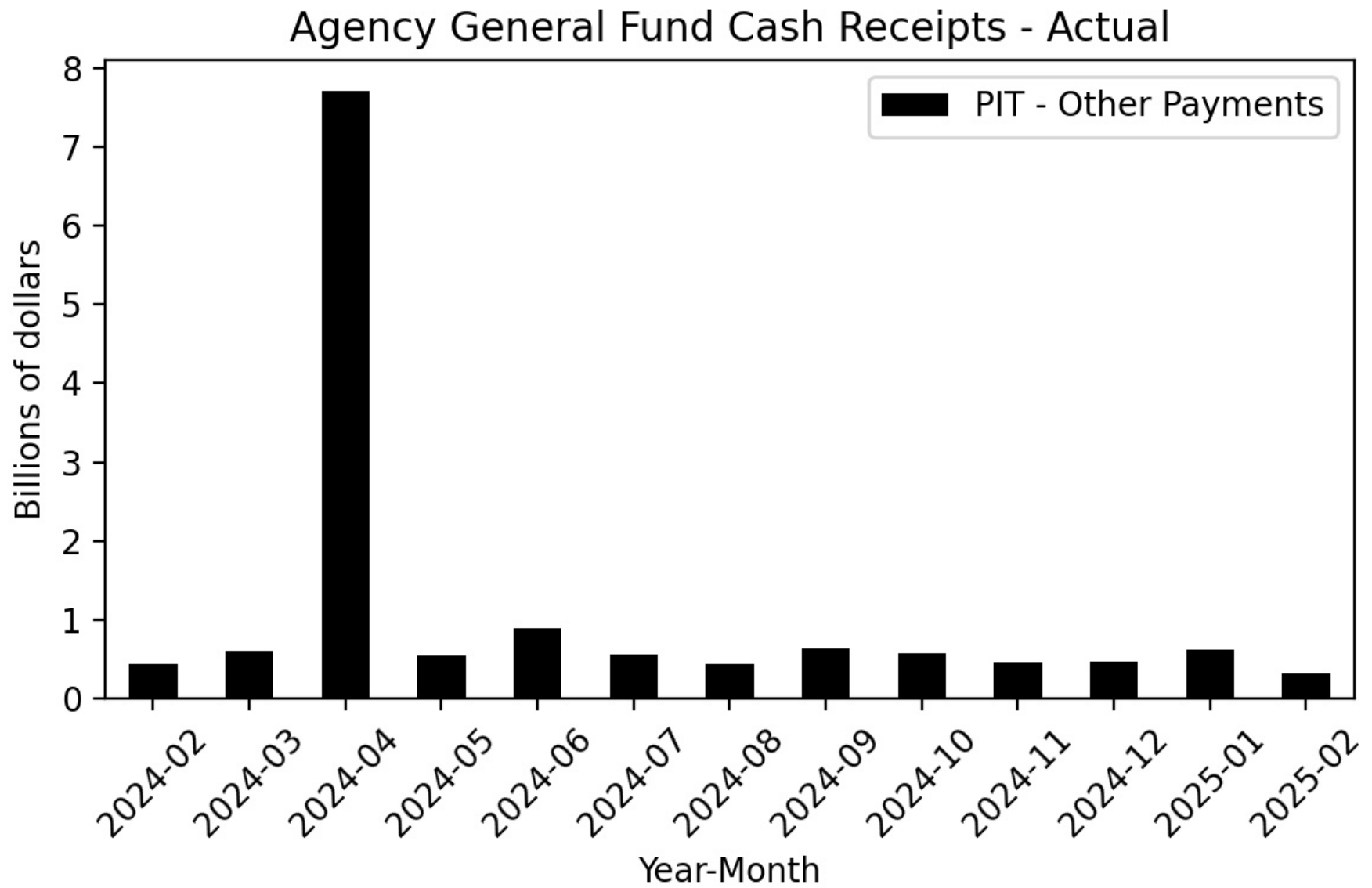


Figure 70

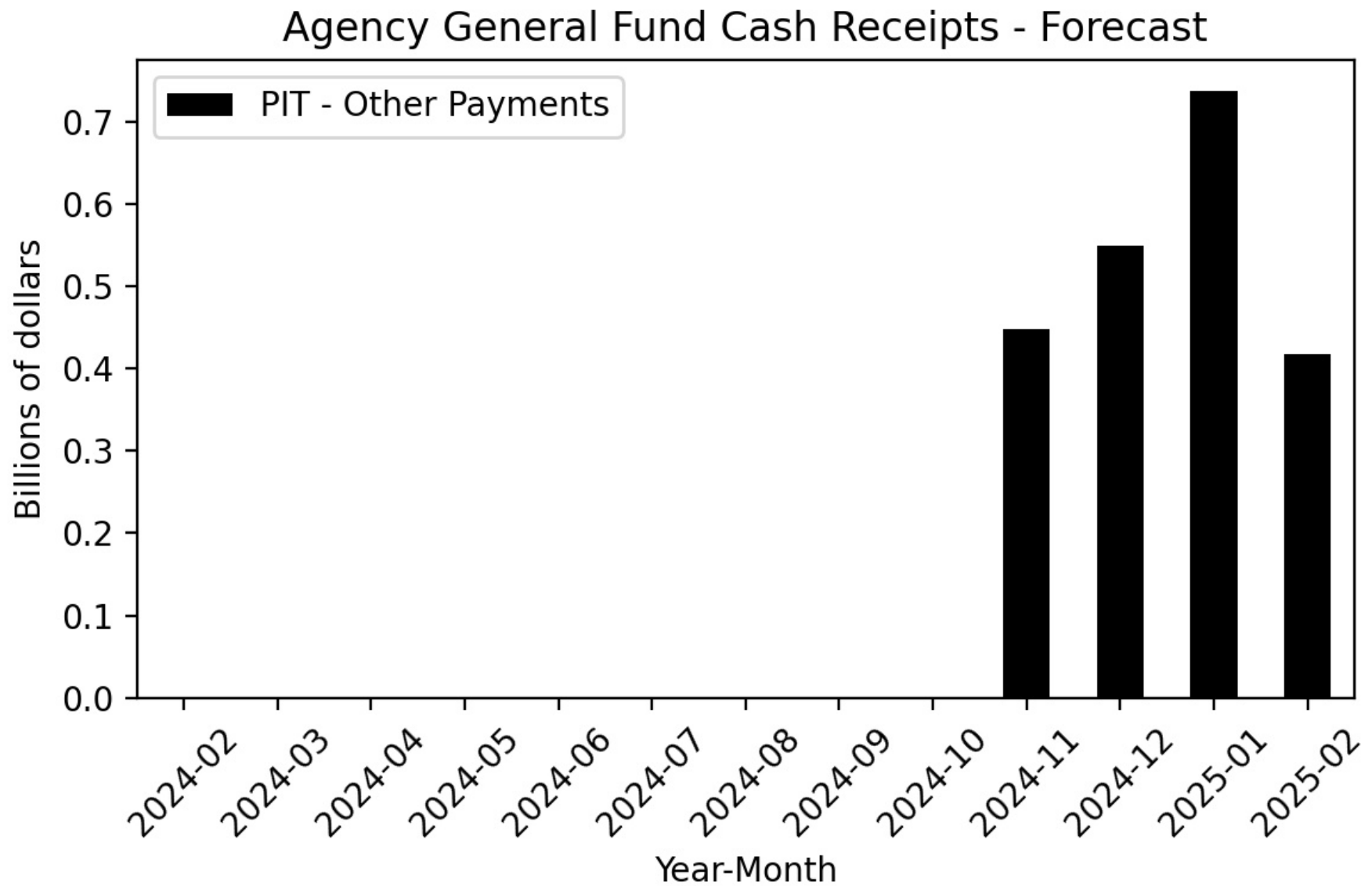


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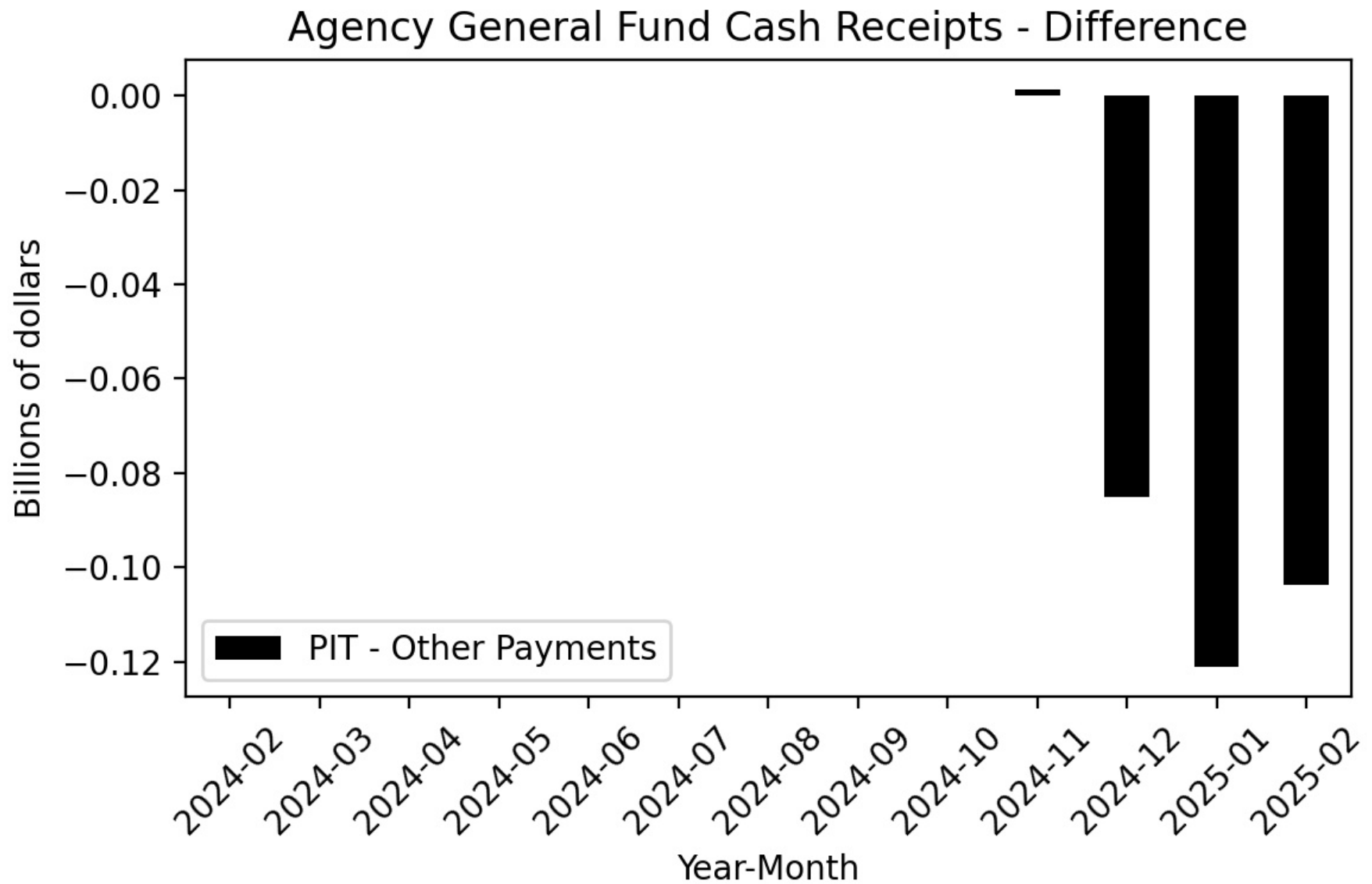


Figure 72

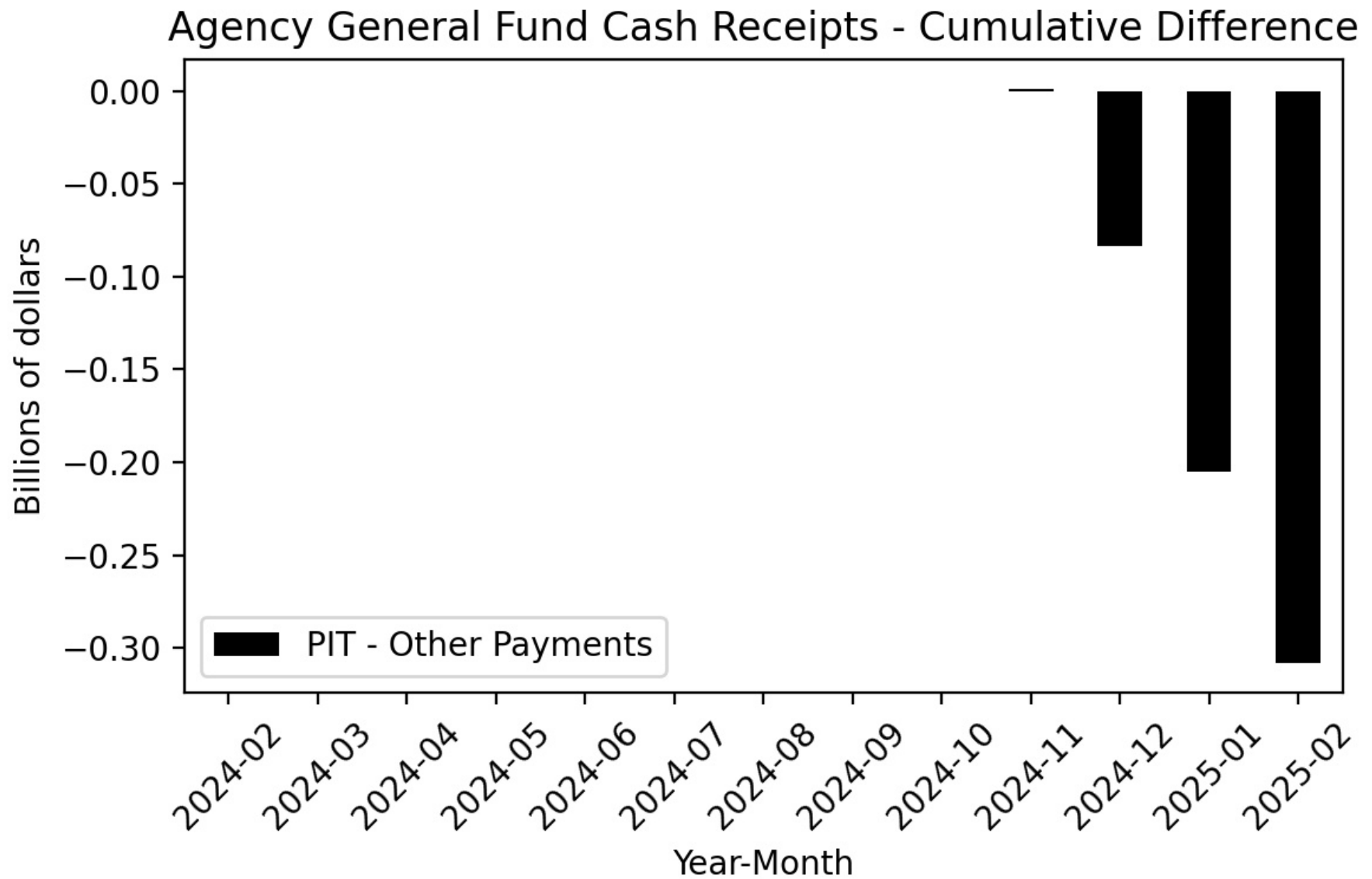


Figure 73

Year-Over-Year Change - Actual and 2024-25 Budget Act Forecast
PIT-Other Payments

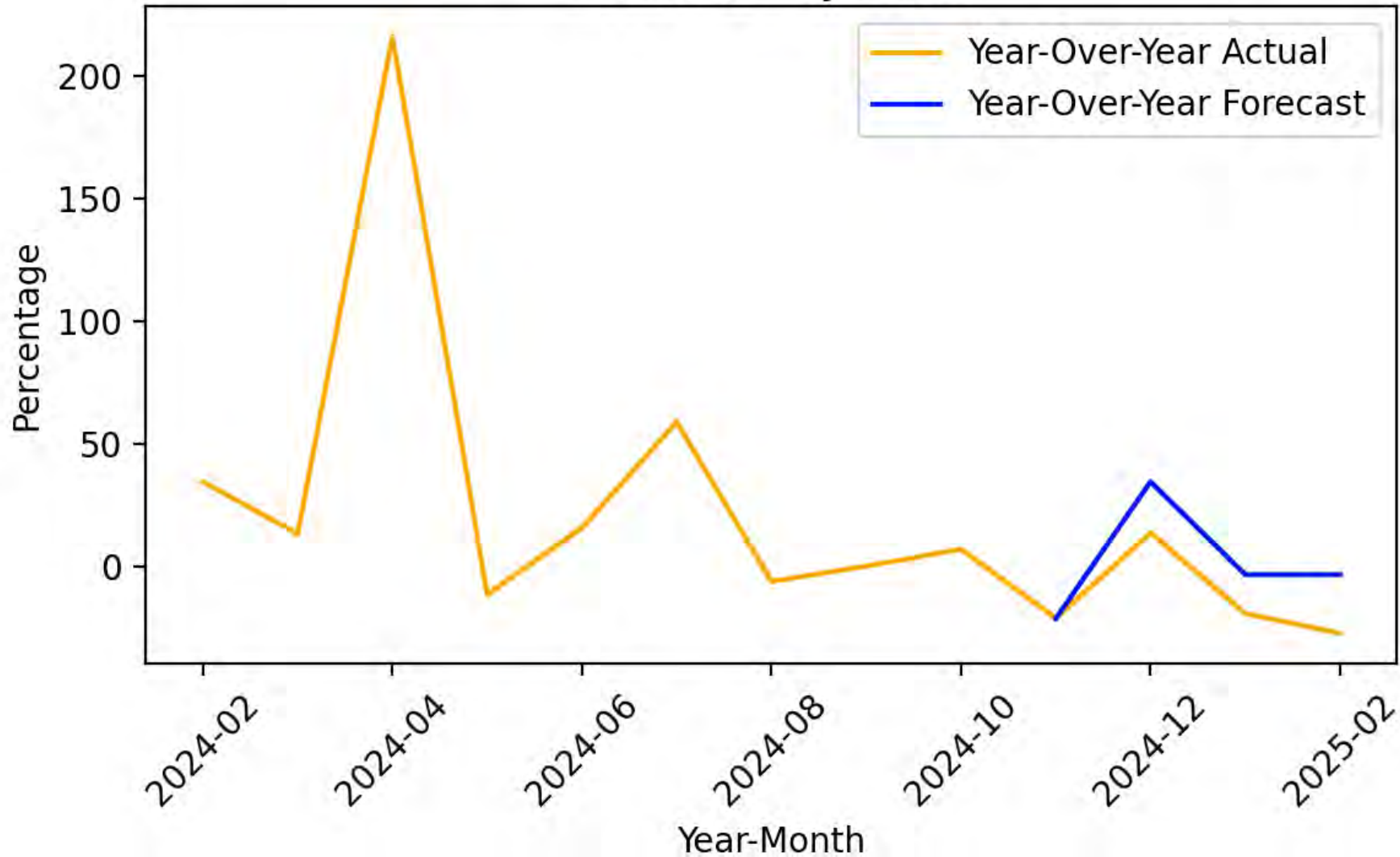


Figure 74

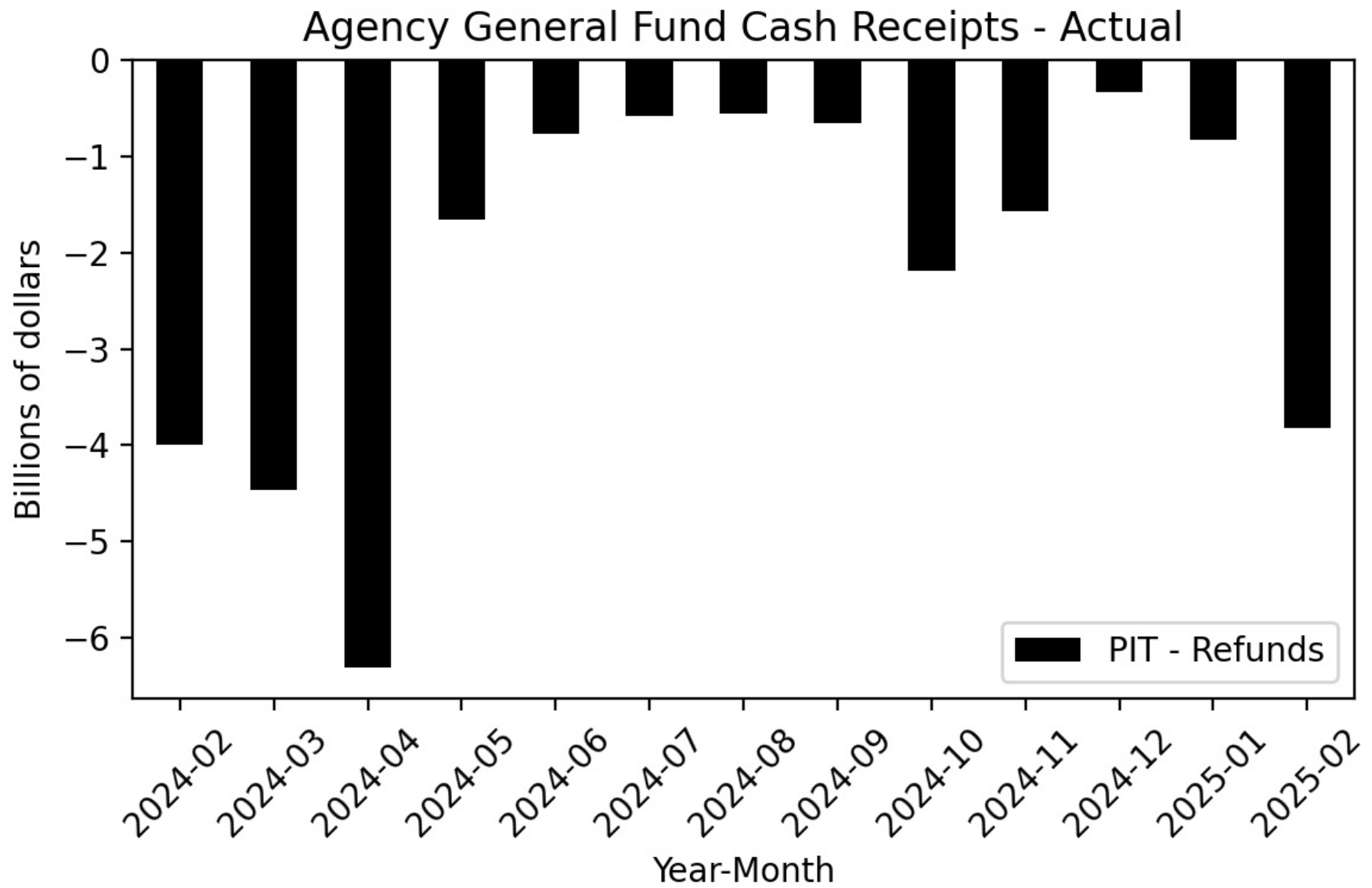


Figure 75

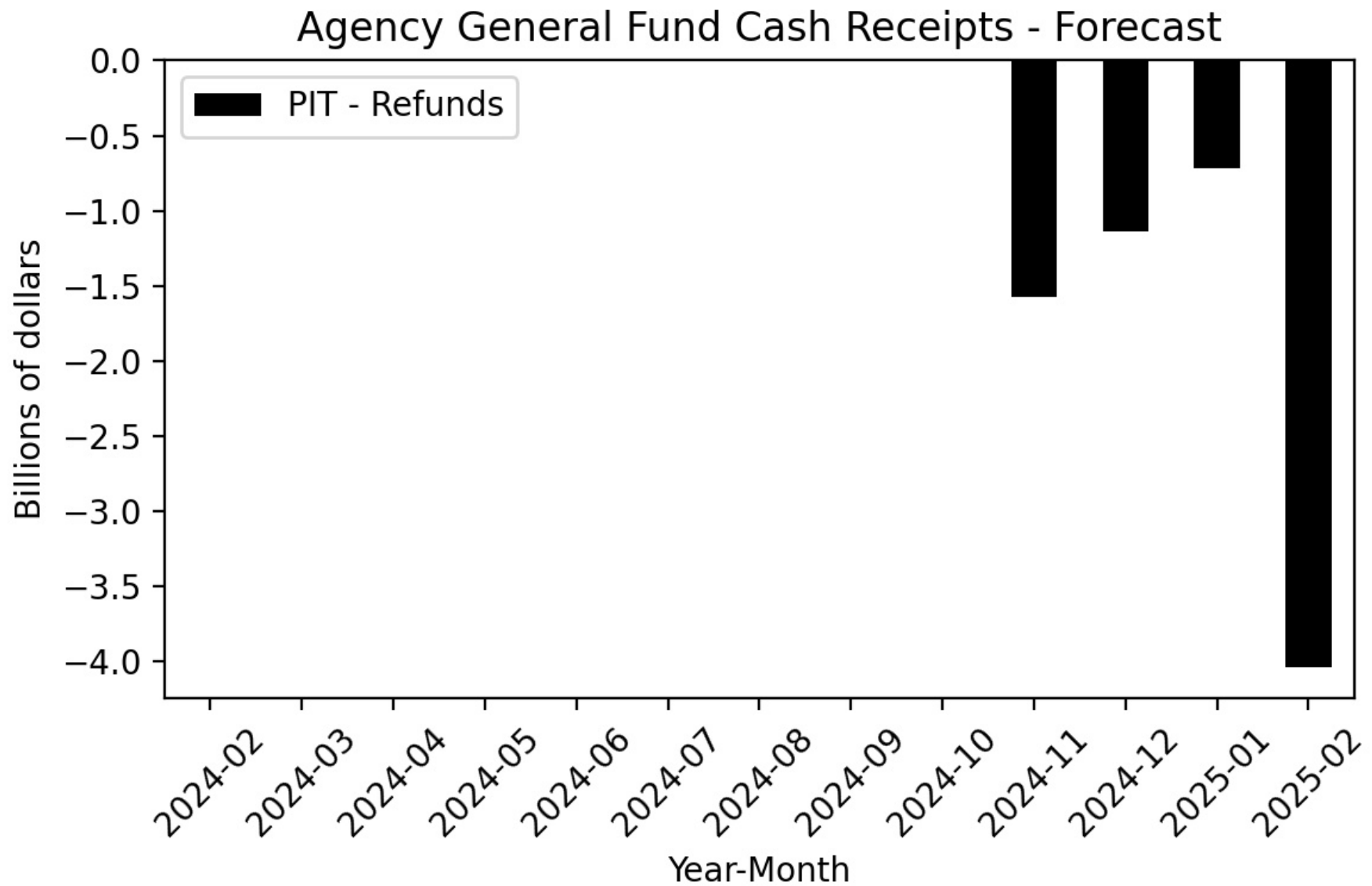


Figure 76

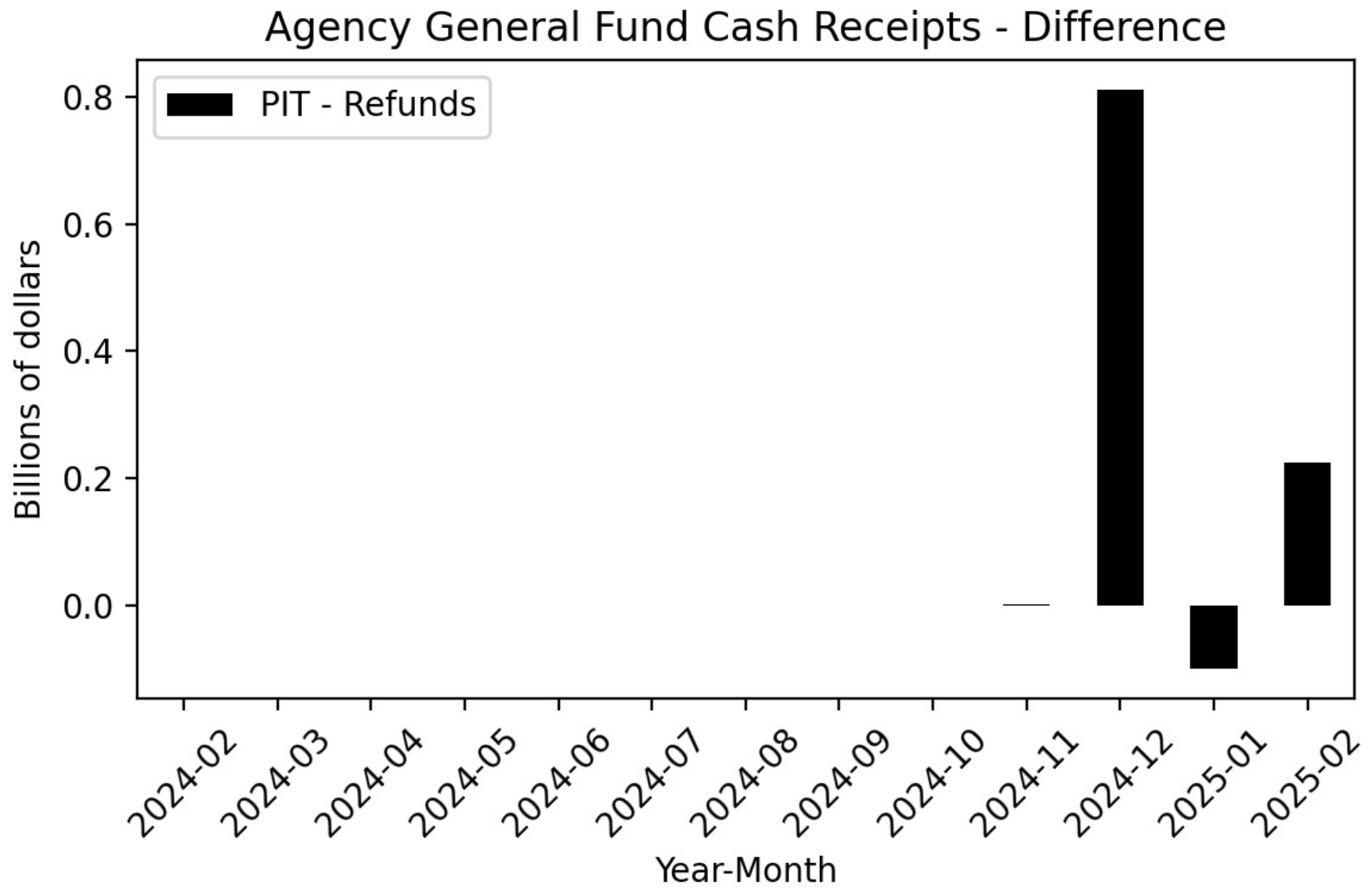


Figure 77

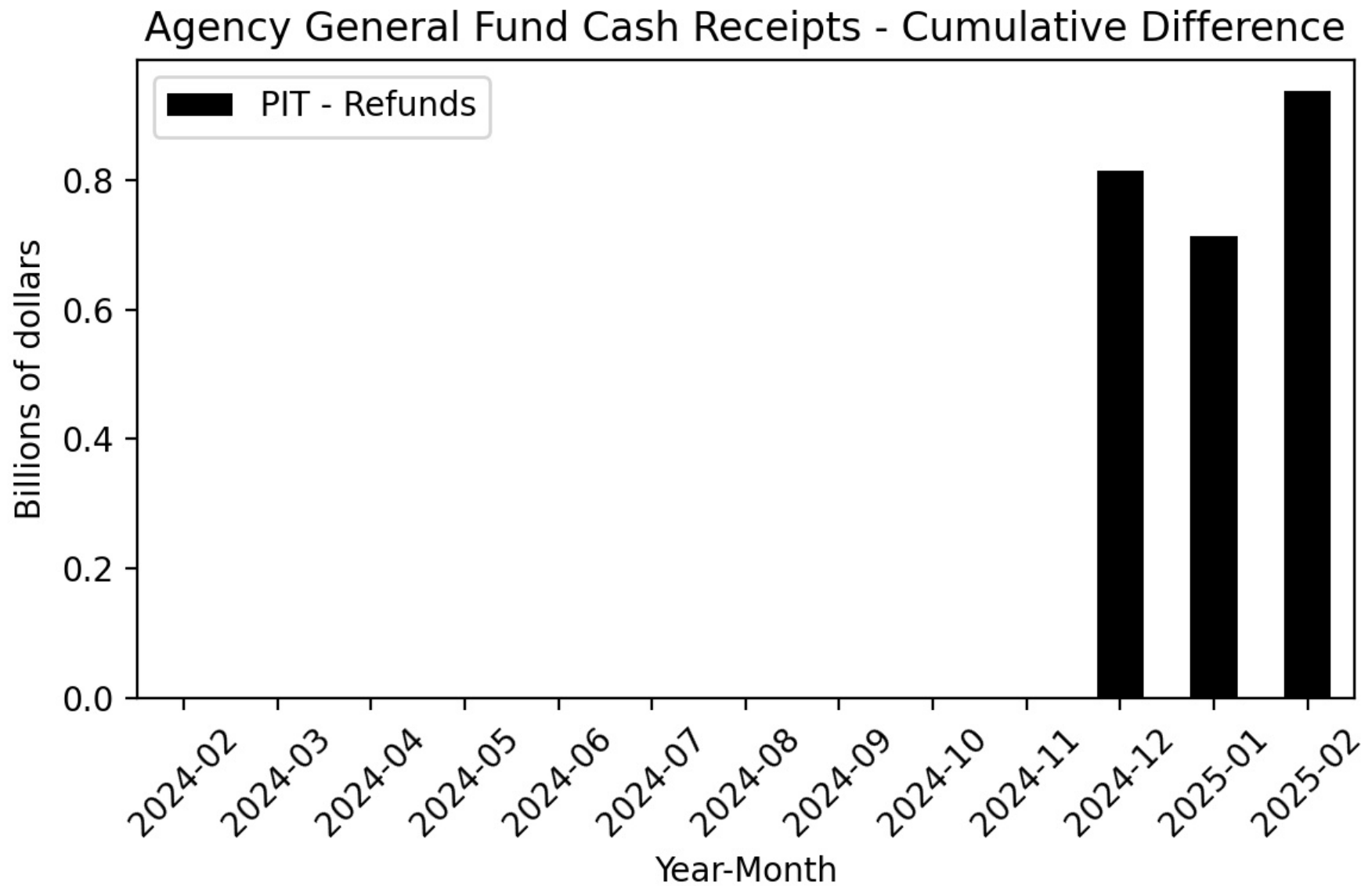


Figure 78

Year-Over-Year Change - Actual and 2024-25 Budget Act Forecast
PIT-Refunds

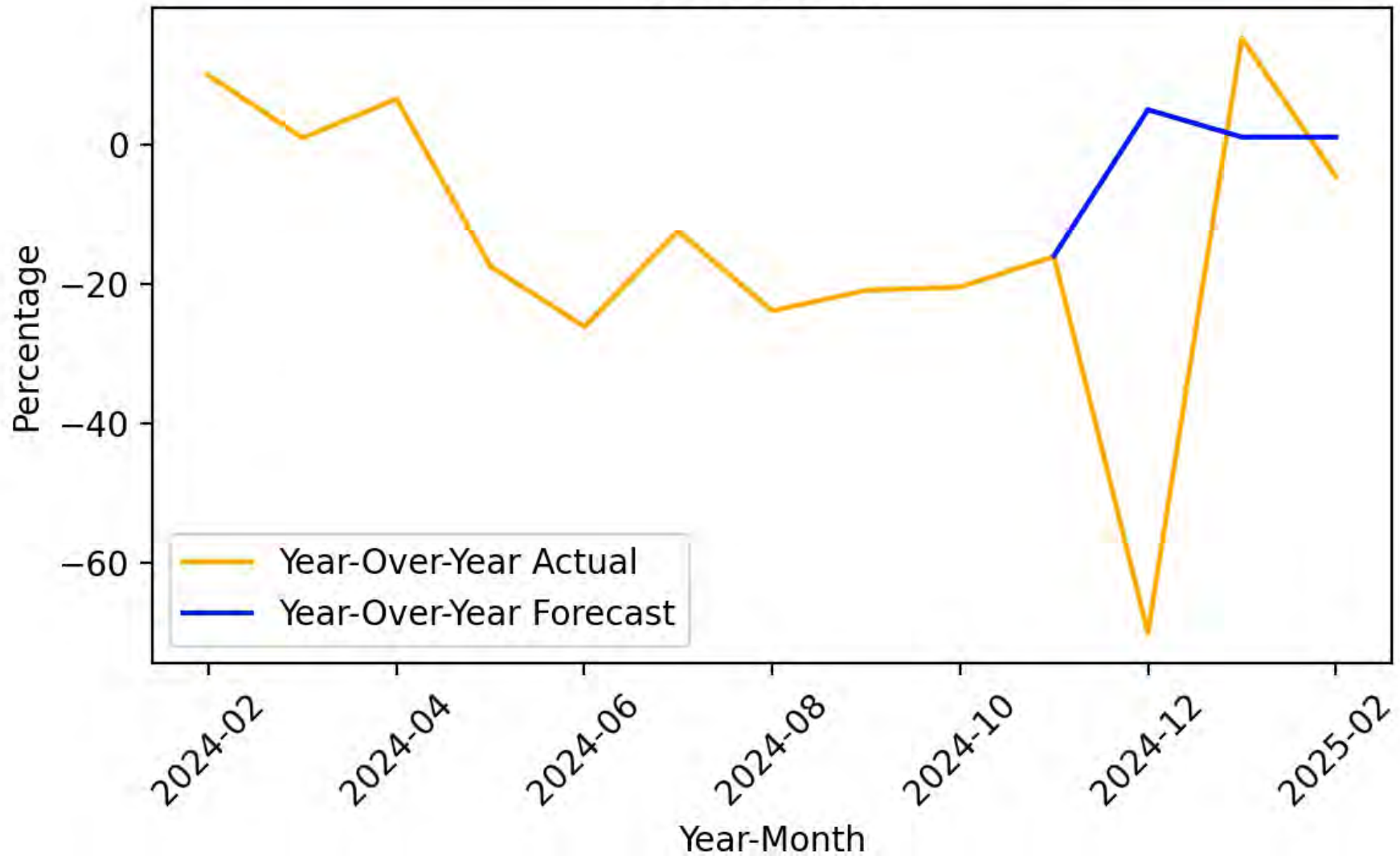


Figure 79

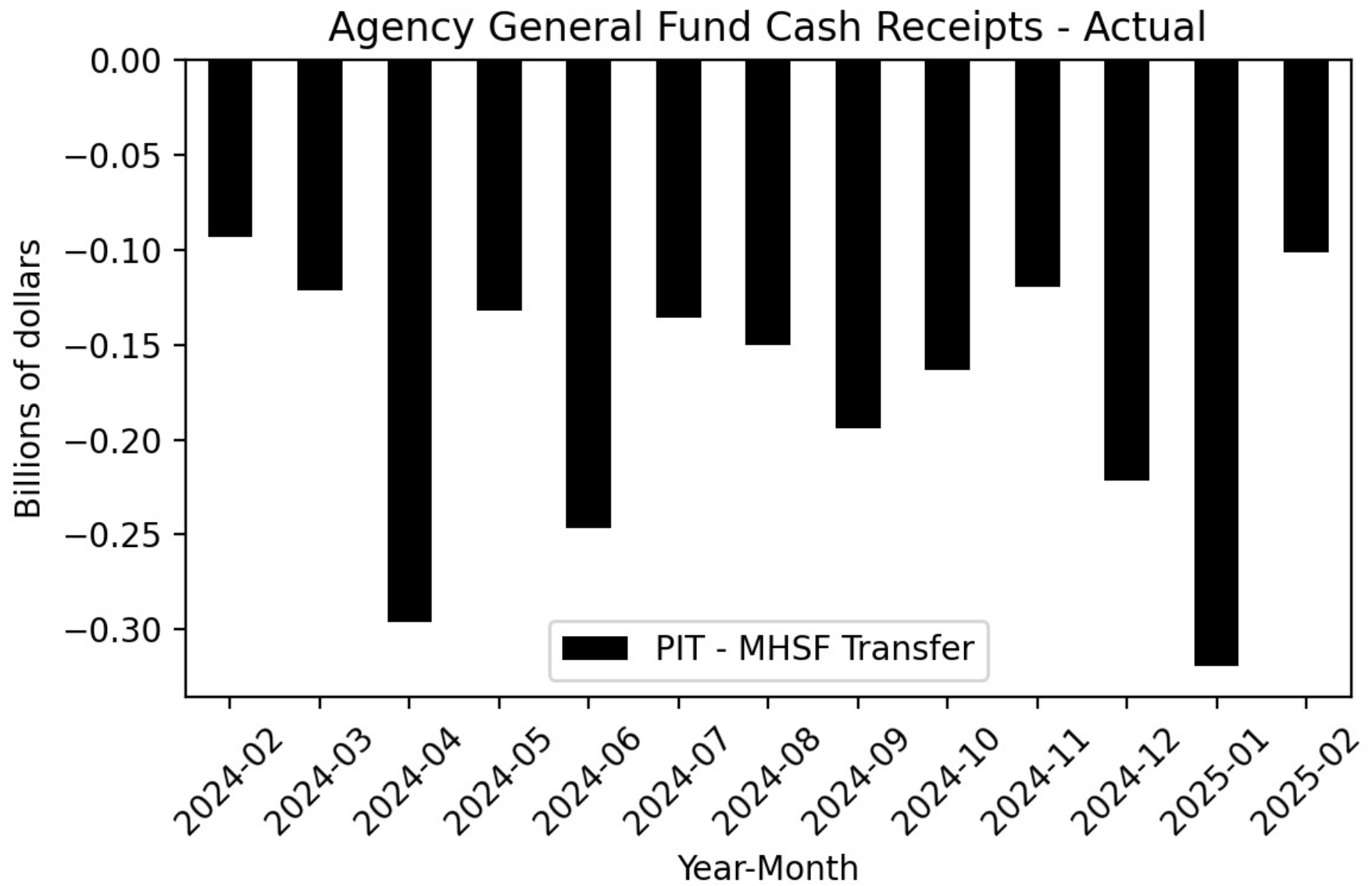


Figure 80

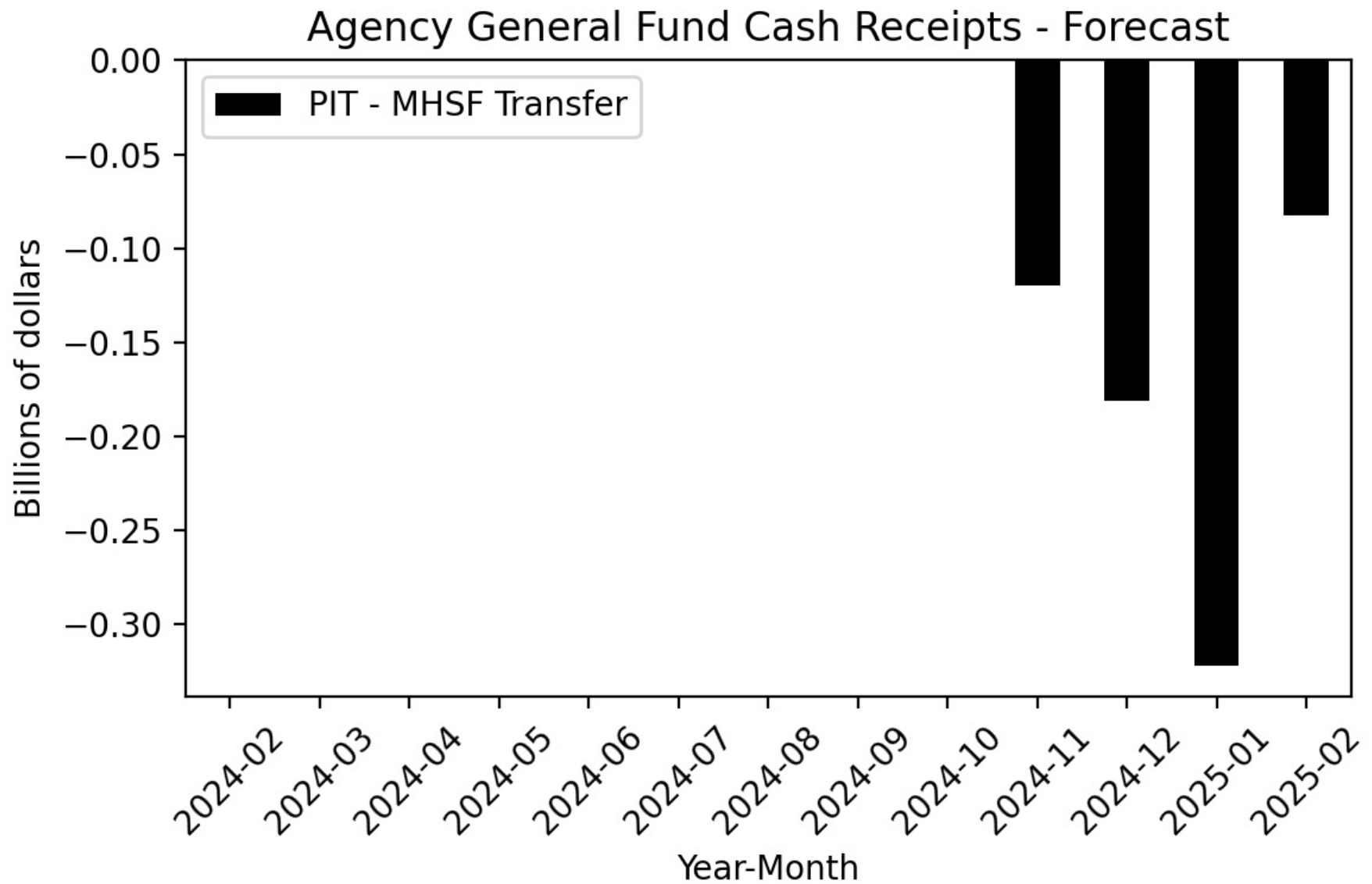


Figure 81

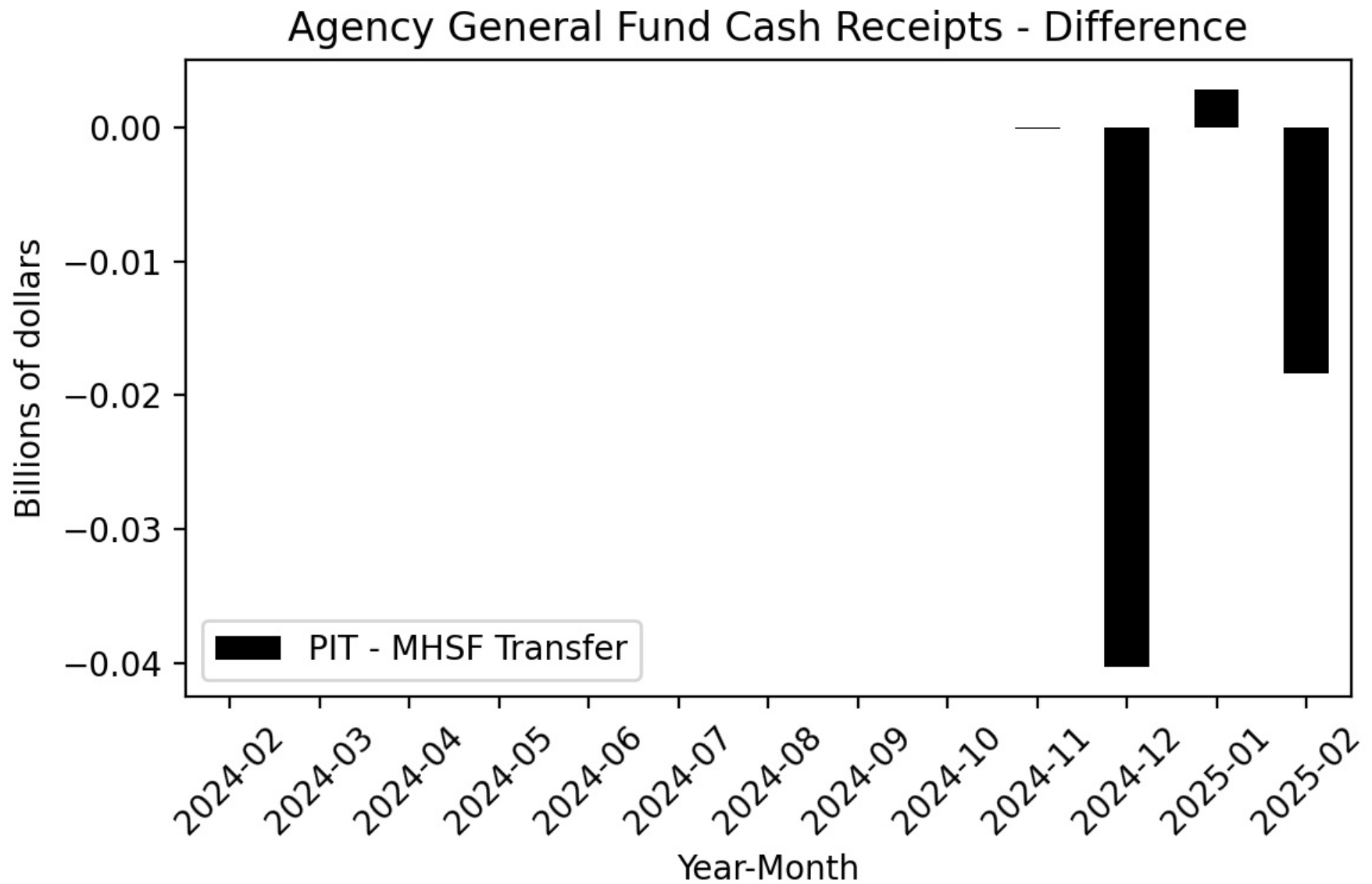


Figure 82

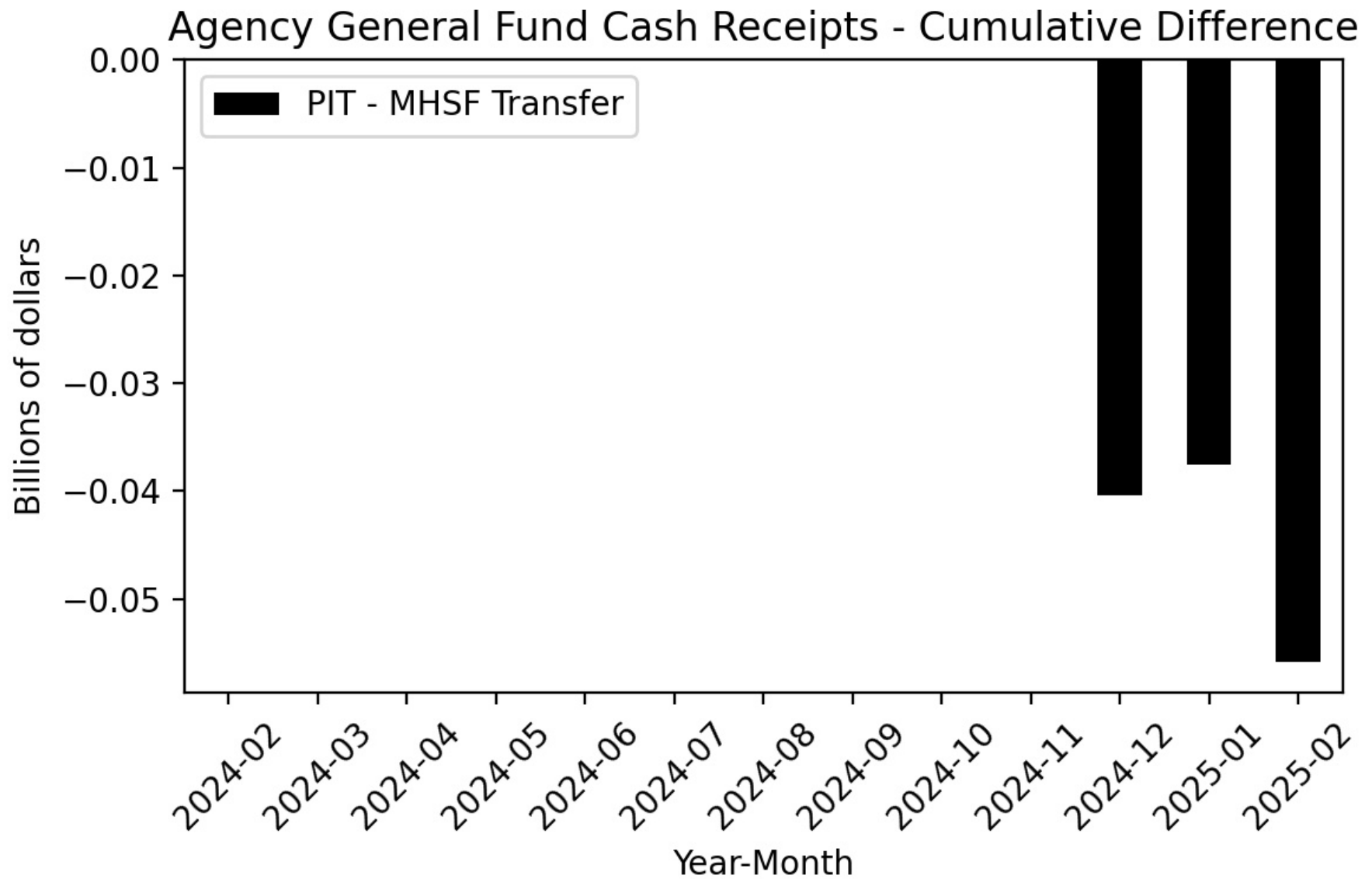


Figure 83

Year-Over-Year Change - Actual and 2024-25 Budget Act Forecast
PIT-MHSF Transfer

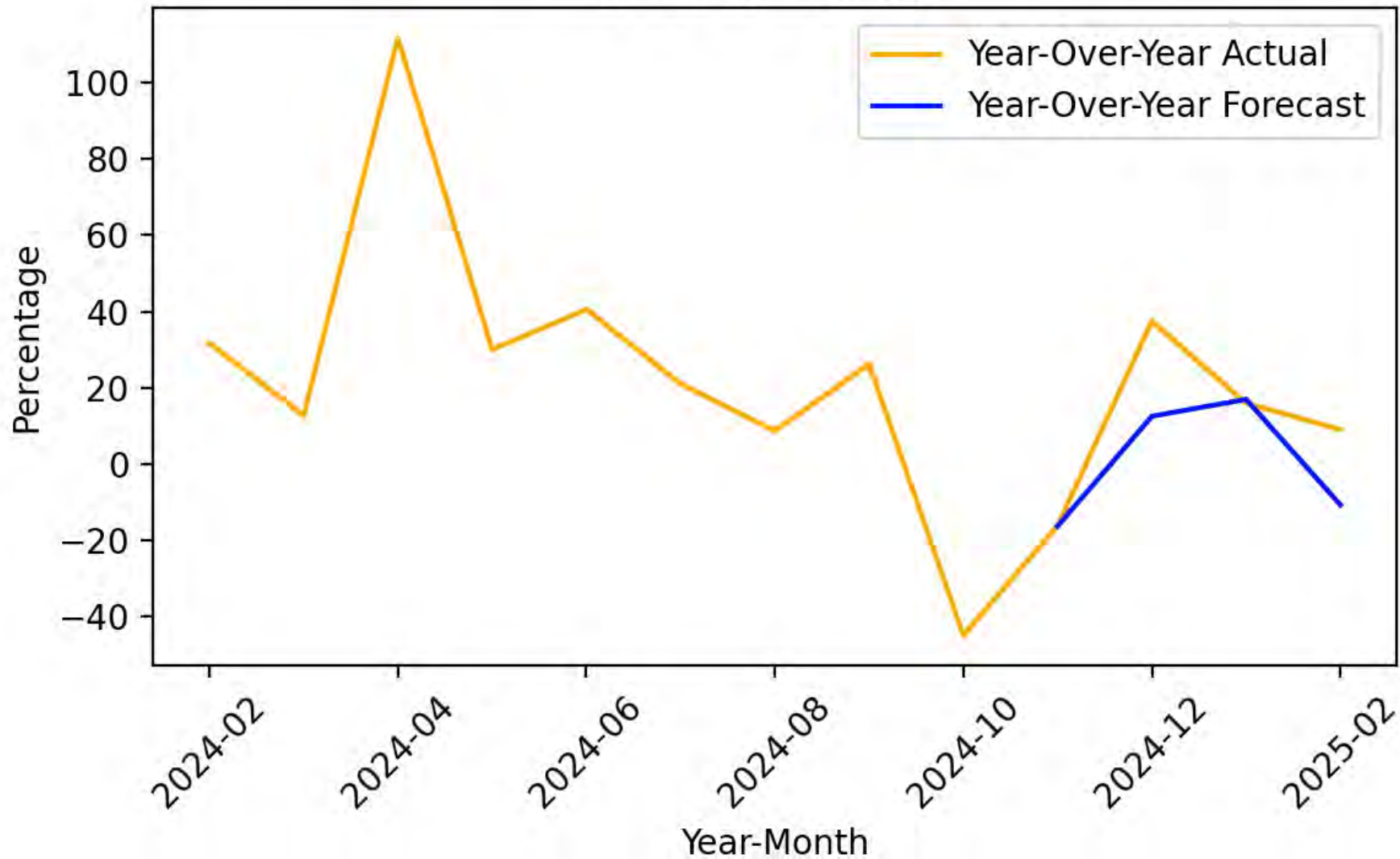


Figure 84

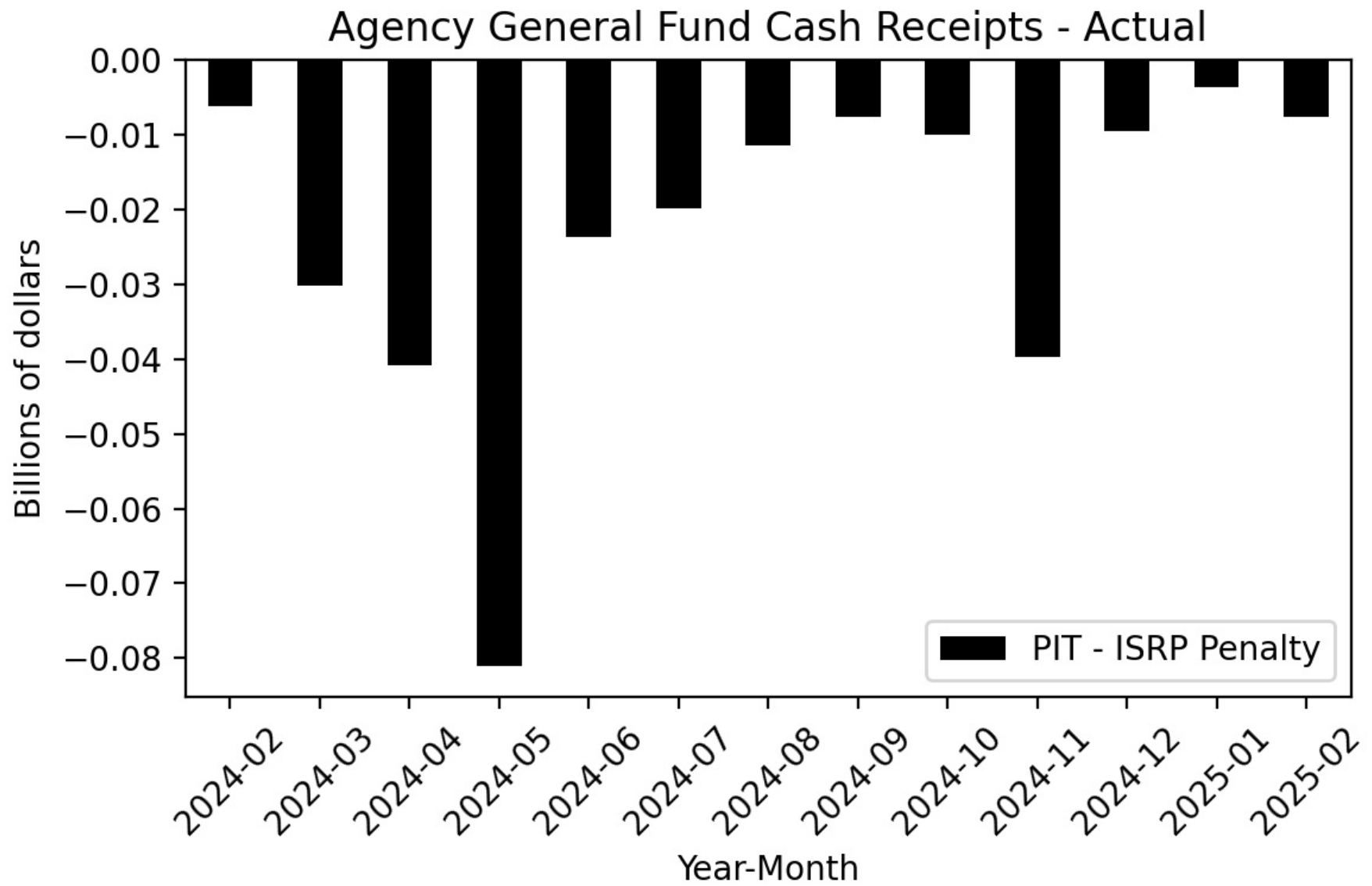


Figure 85

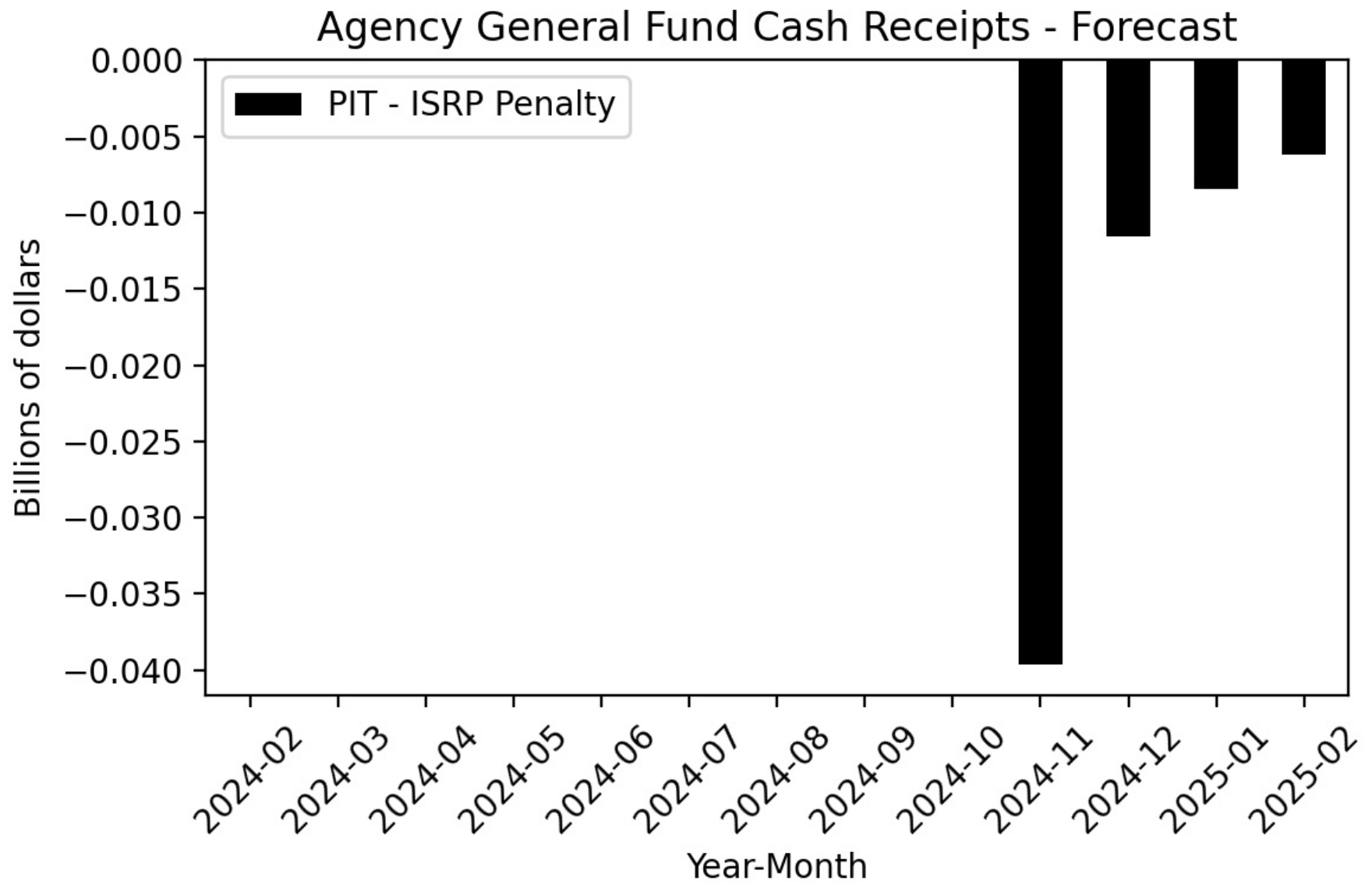


Figure 86

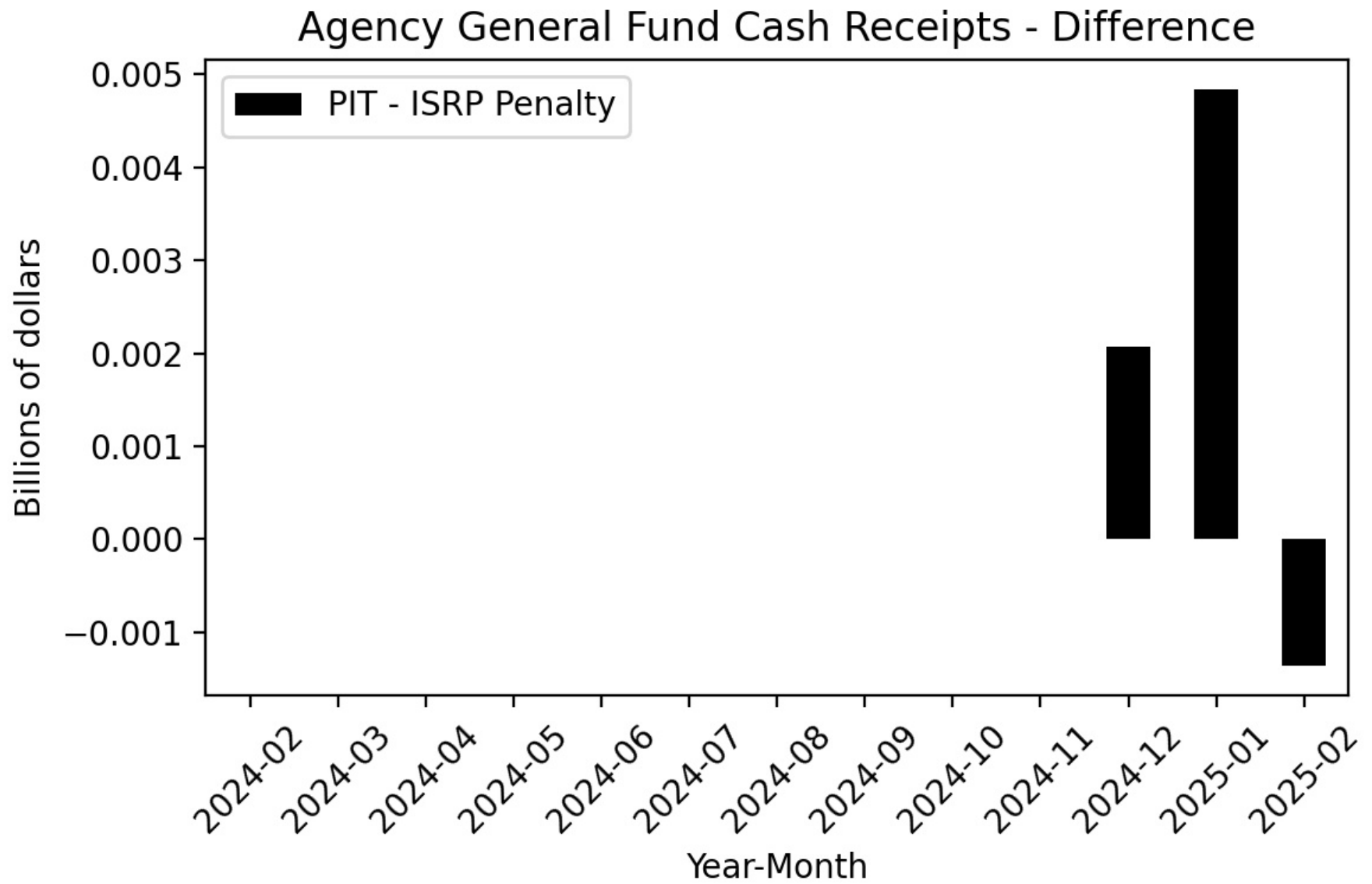


Figure 87

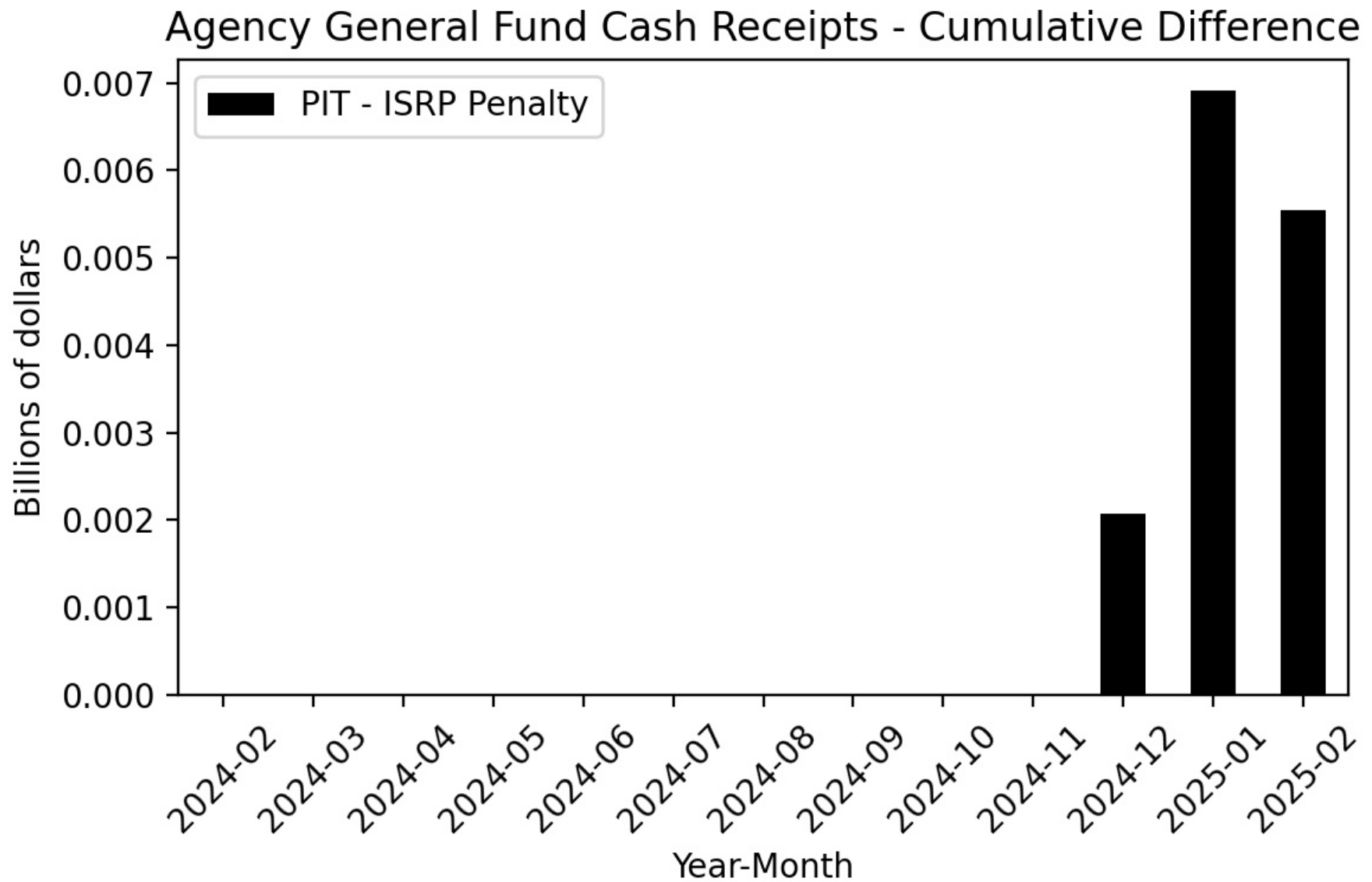


Figure 88

Year-Over-Year Change - Actual and 2024-25 Budget Act
Forecast PIT-ISRP Penalty

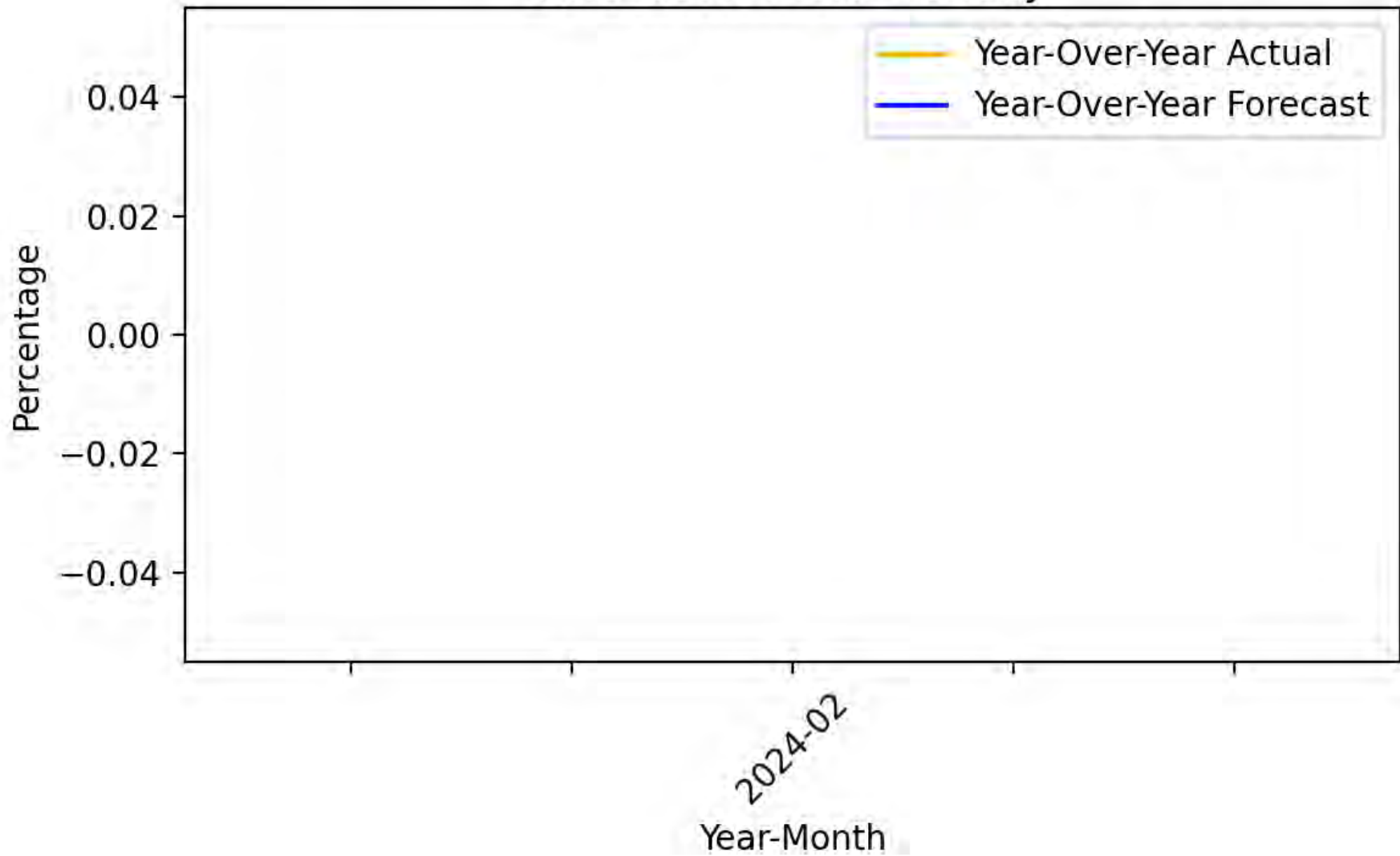


Figure 89

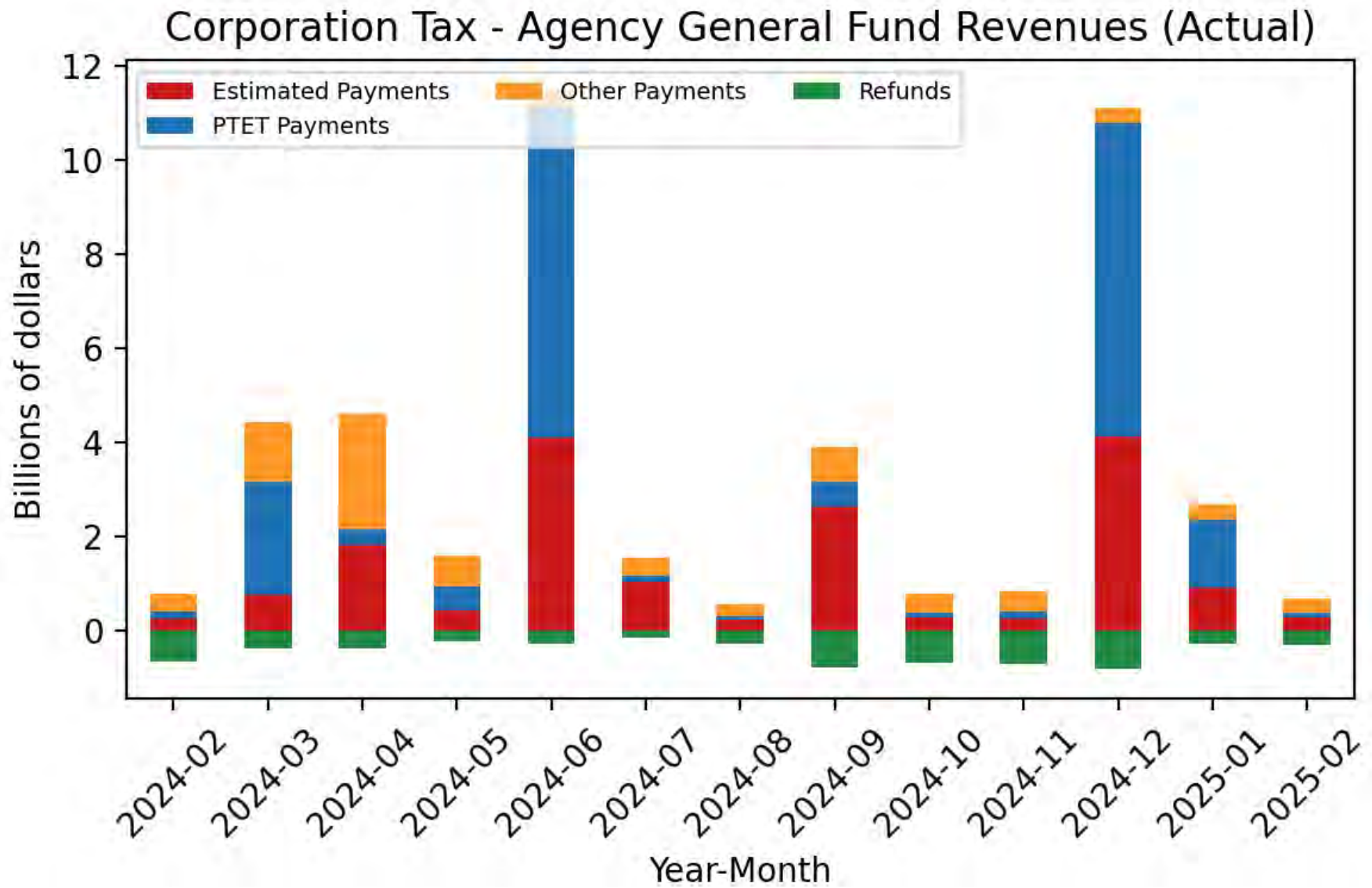


Figure 90

Corporation Tax - Agency General Fund Revenues (Forecast)

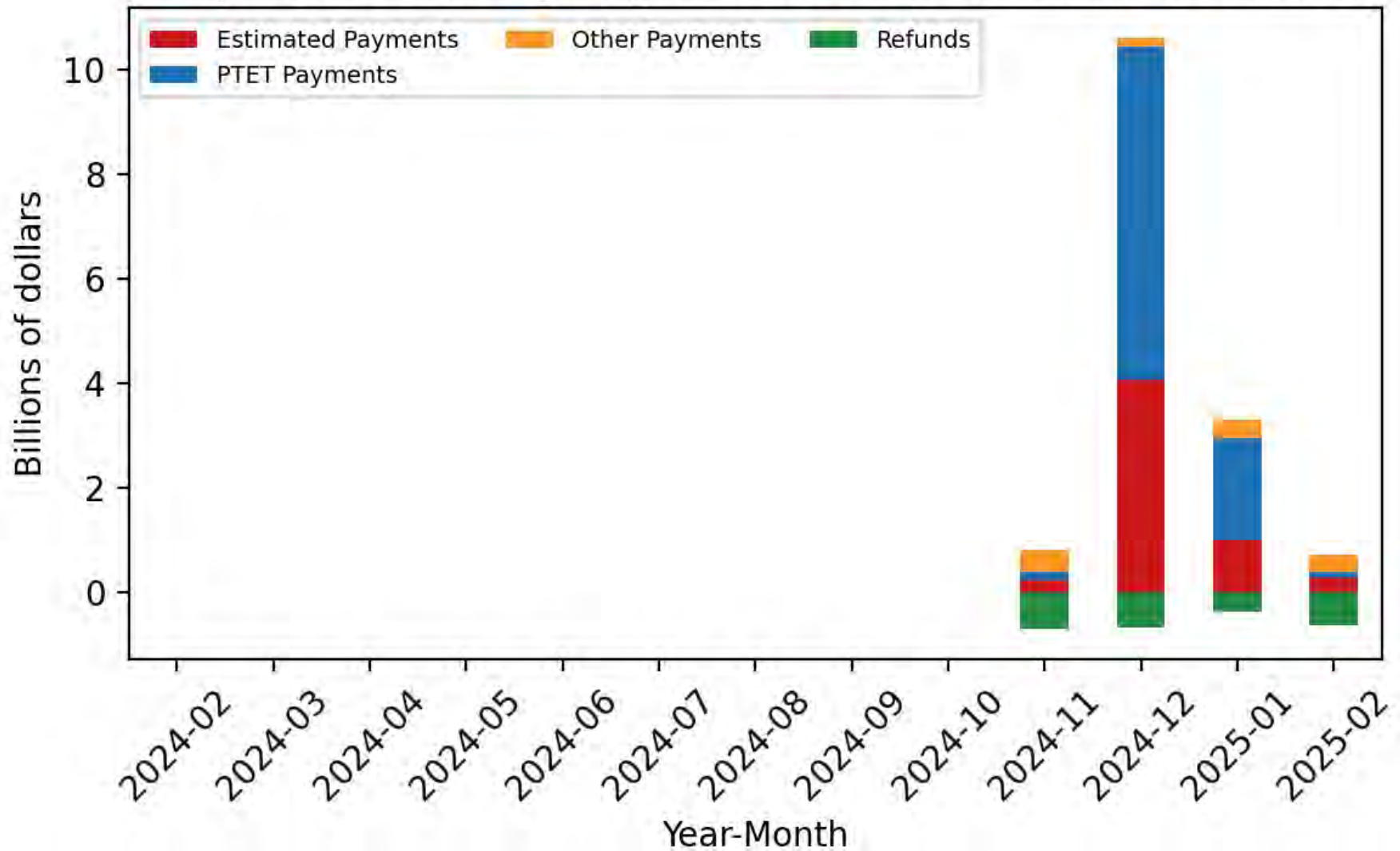


Figure 91

Corporation Tax - Agency General Fund Revenues (Difference)

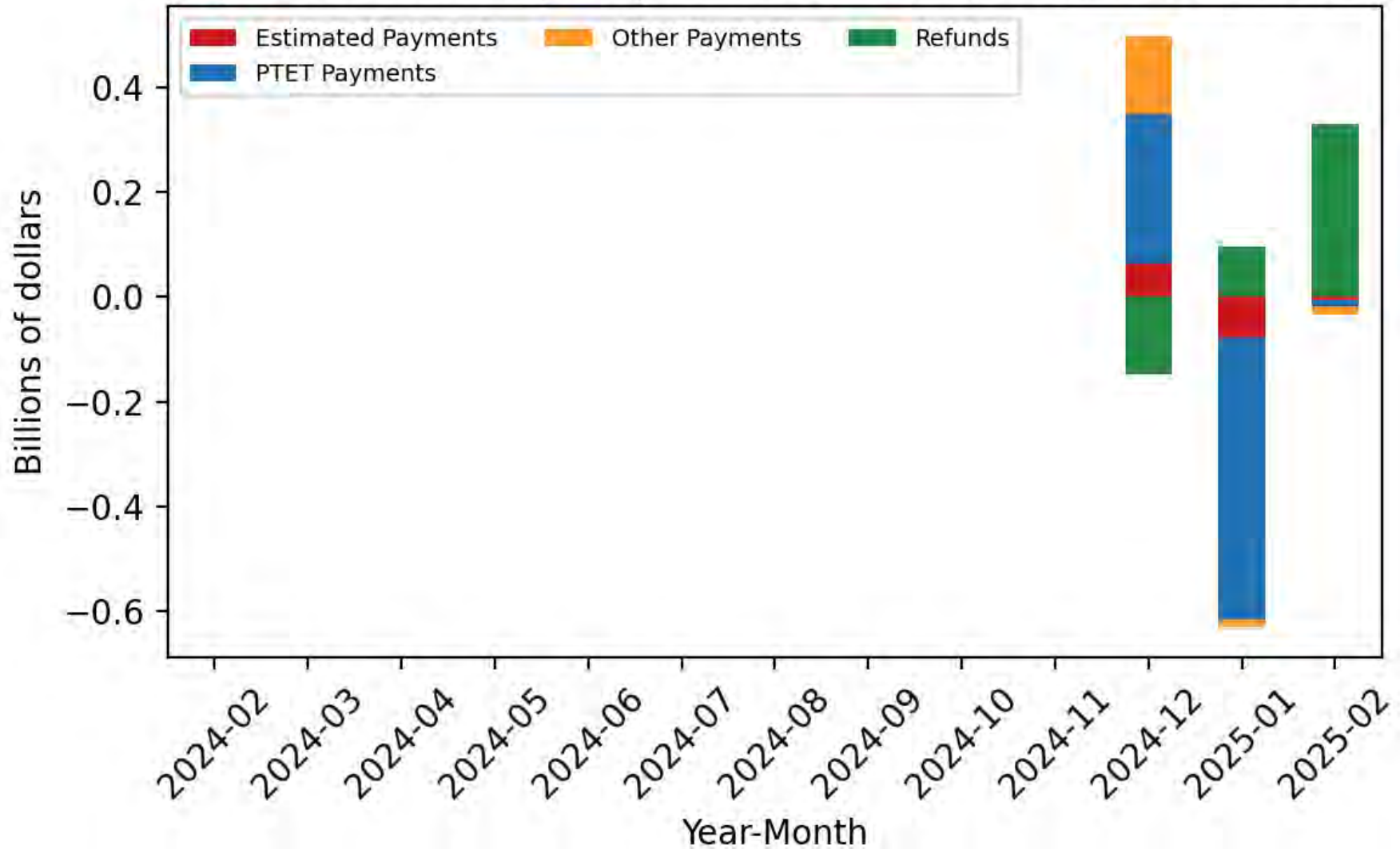


Figure 92

Corporation Tax - Agency General Fund Revenues (Cumulative Difference)

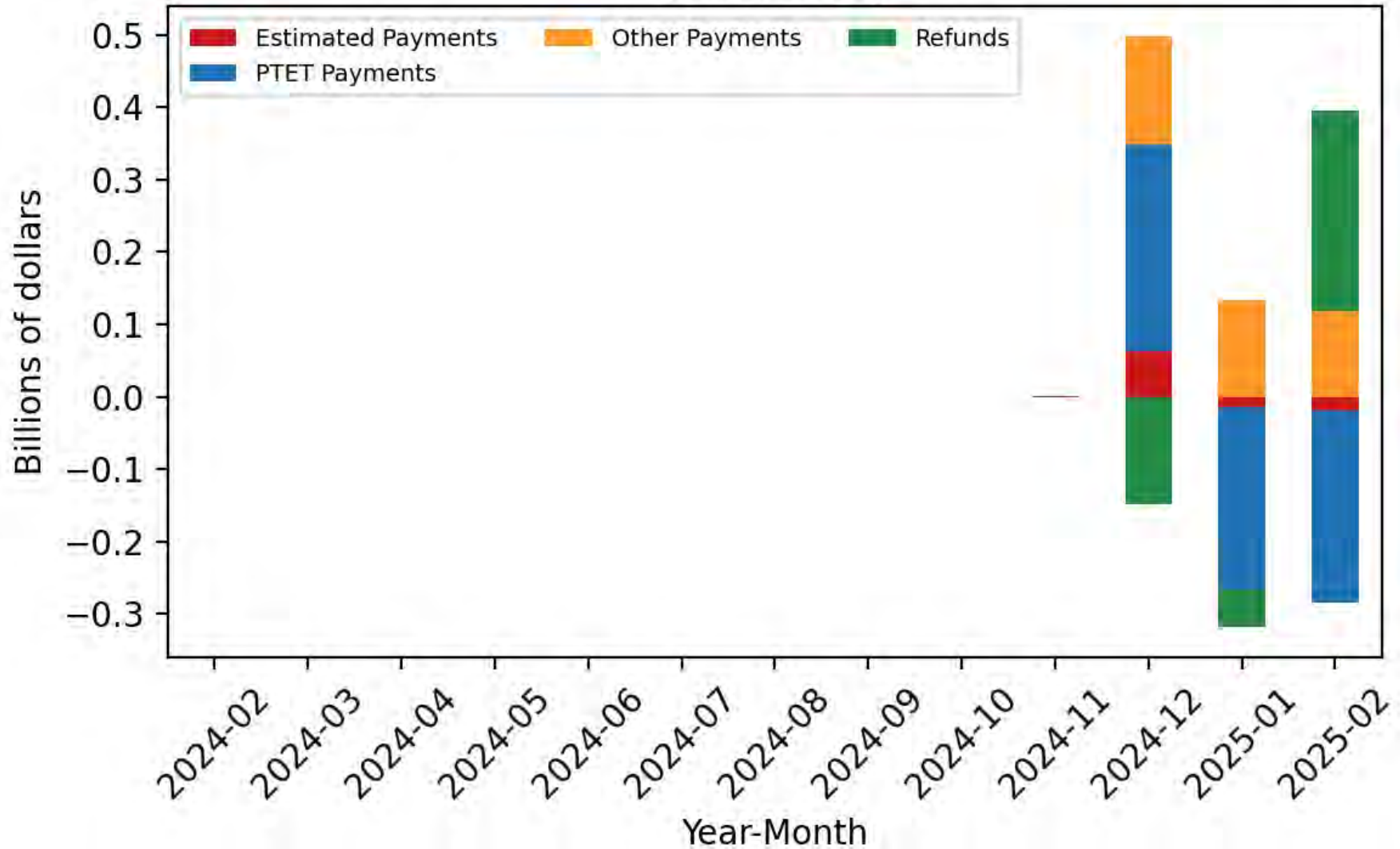


Figure 93

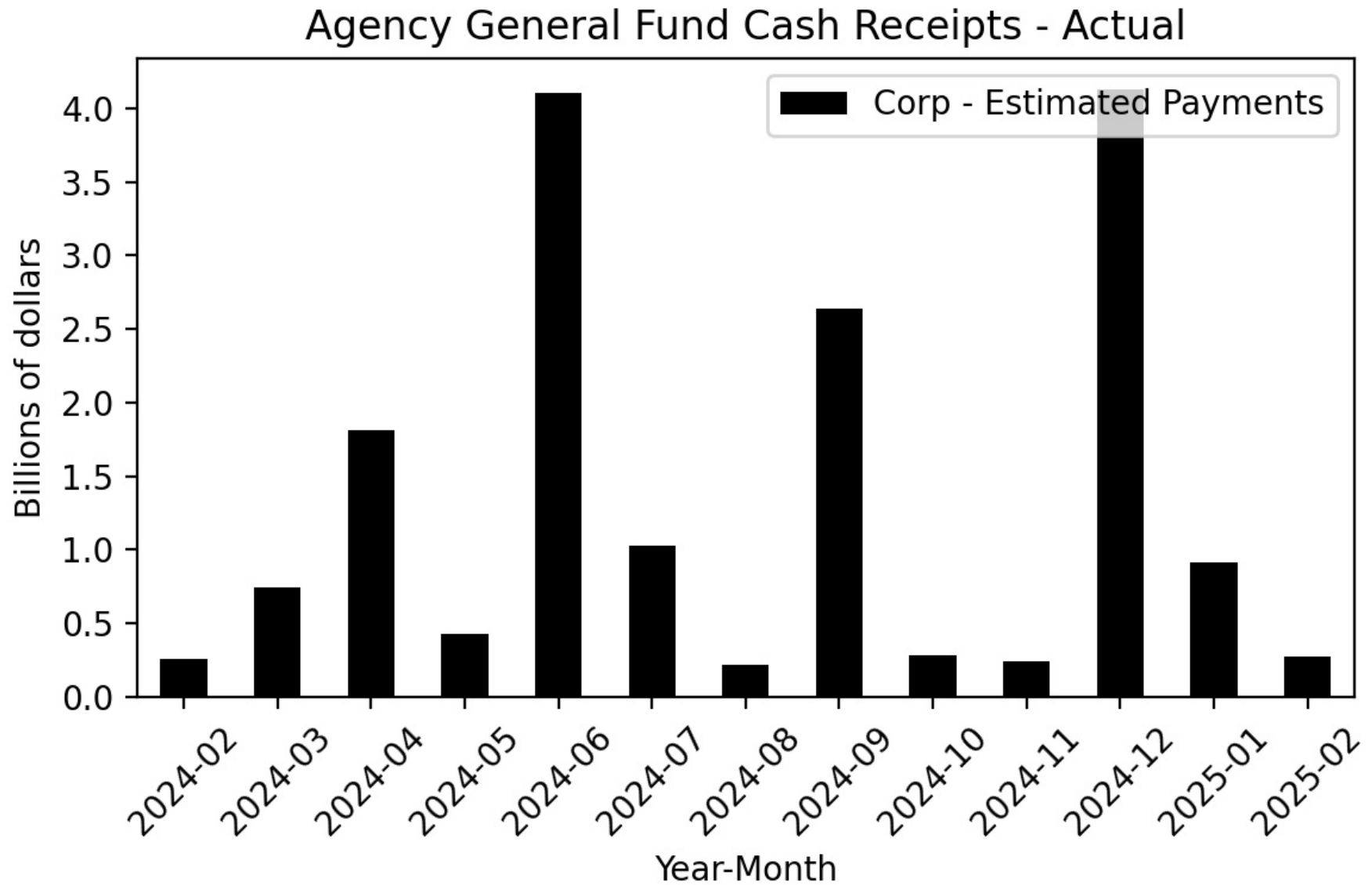


Figure 94

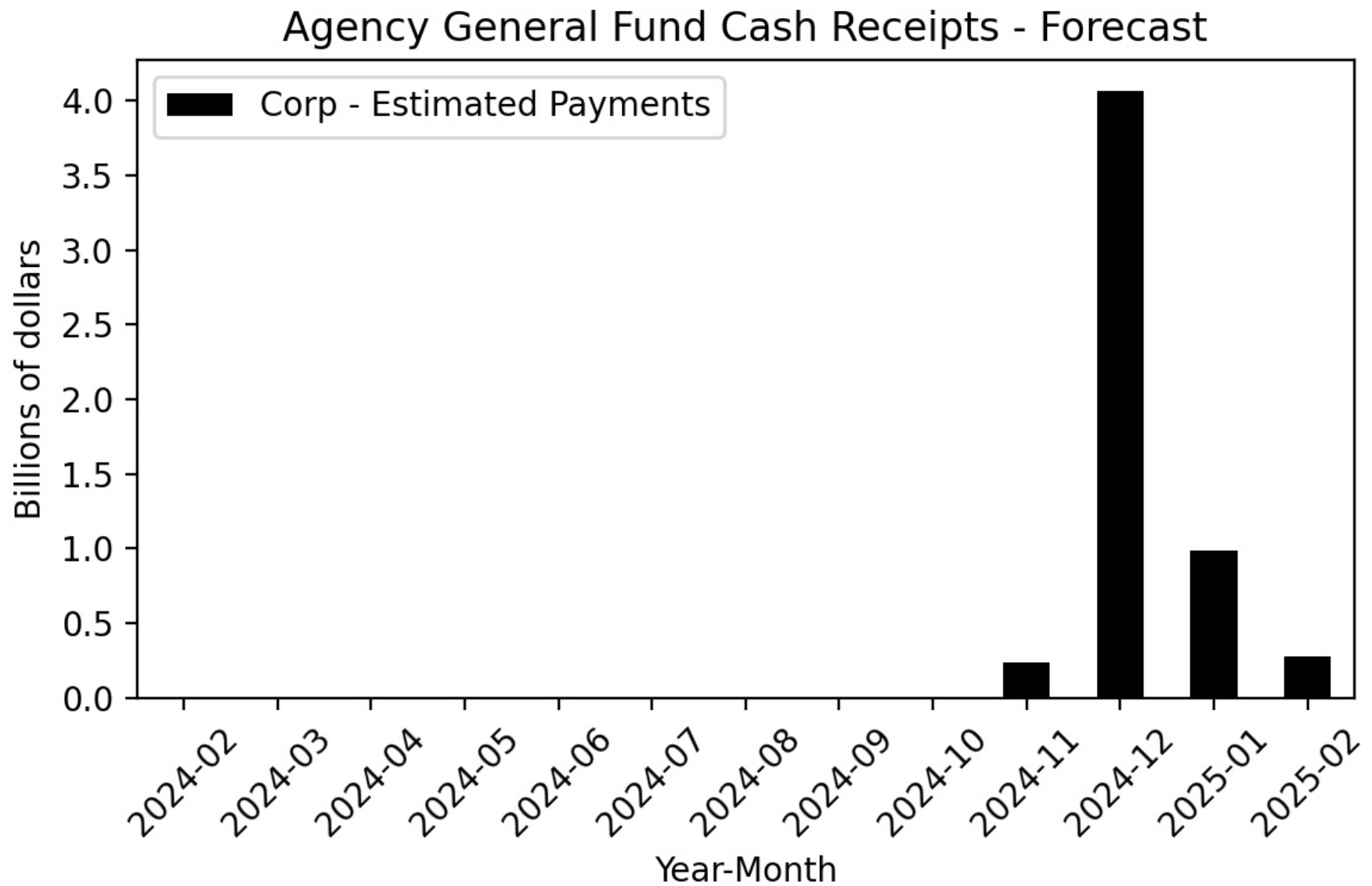


Figure 95

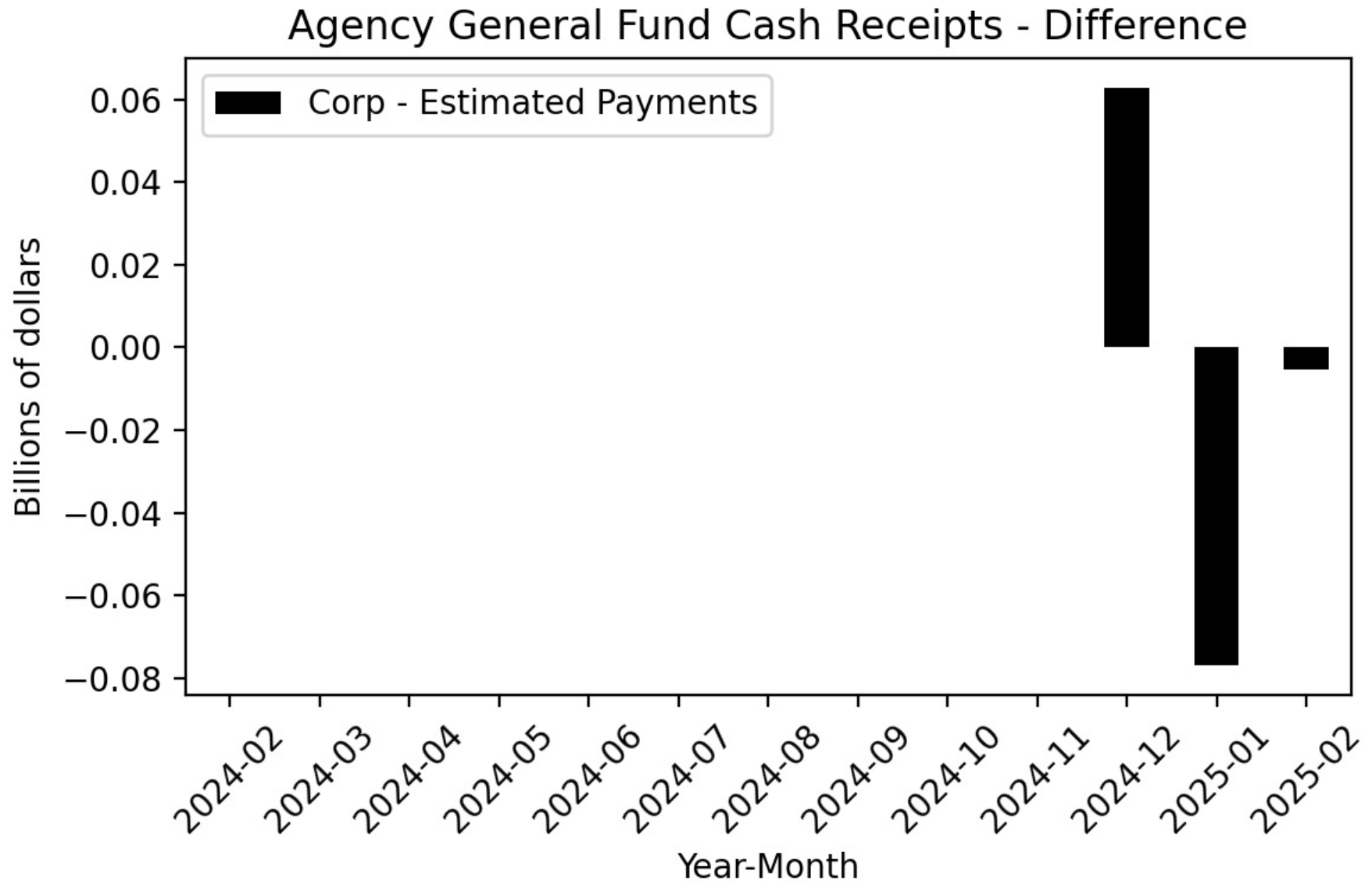


Figure 96

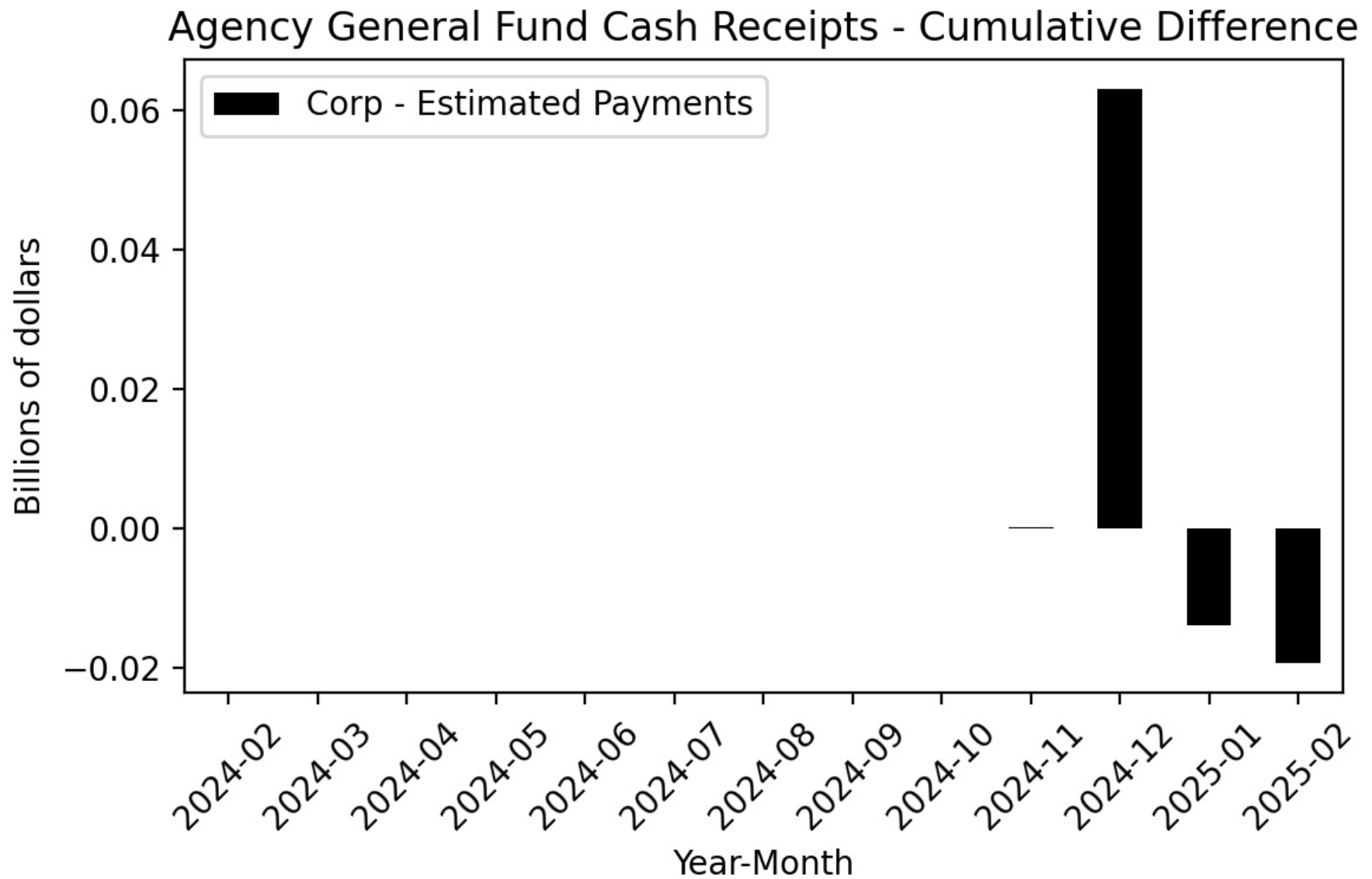


Figure 97

Year-Over-Year Change - Actual and 2024-25 Budget Act Forecast
Corp-Estimated Payments

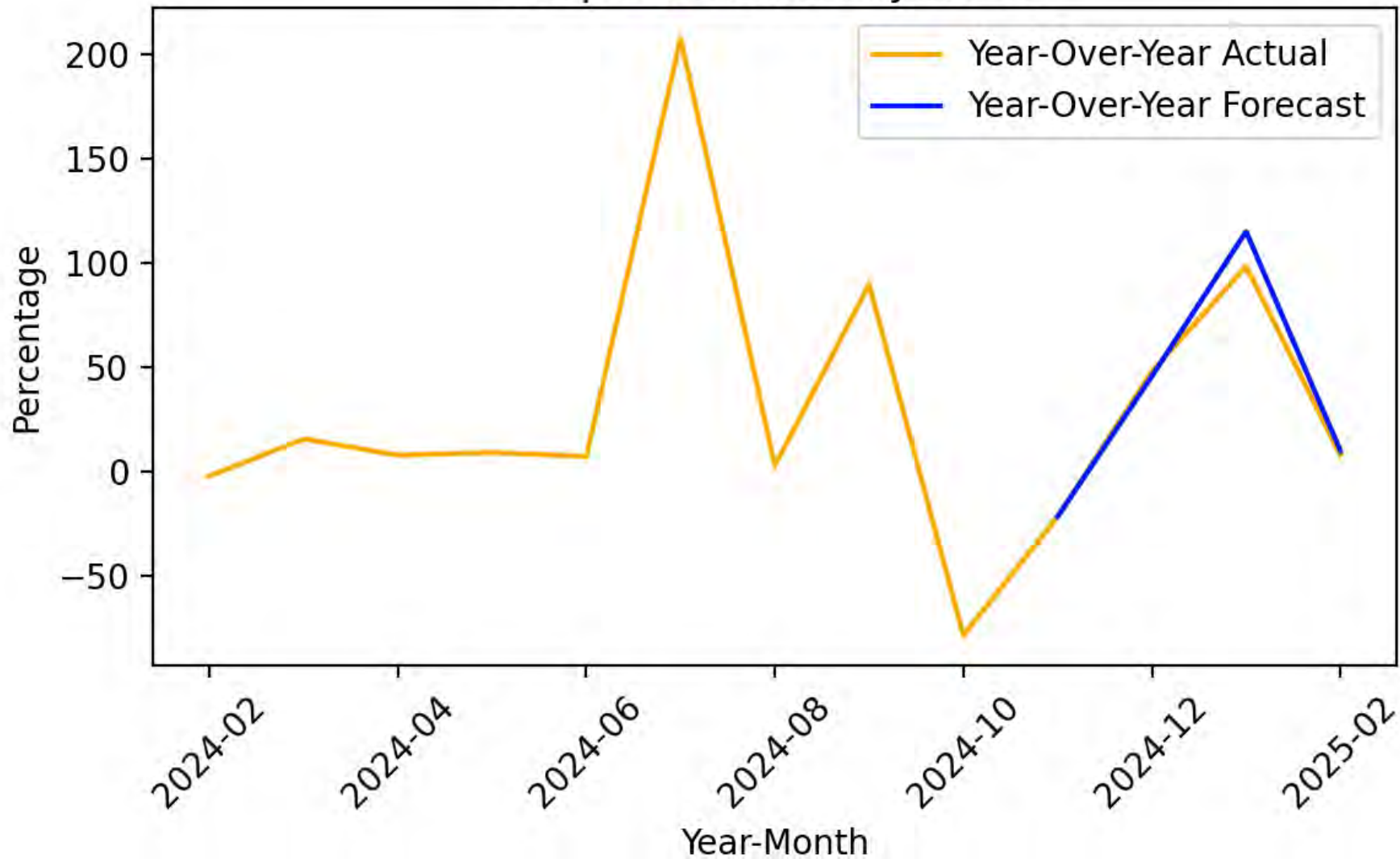


Figure 98

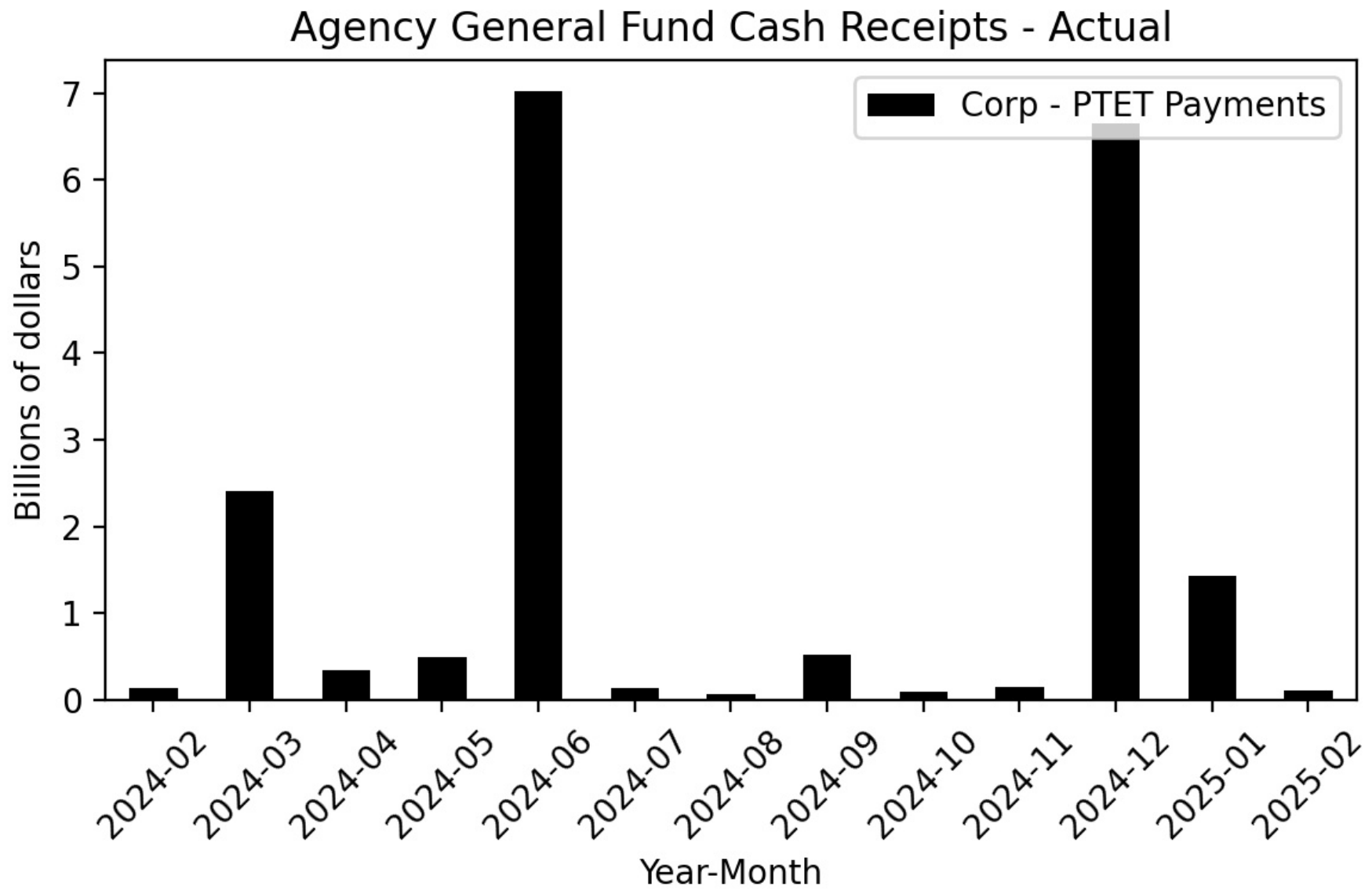


Figure 99

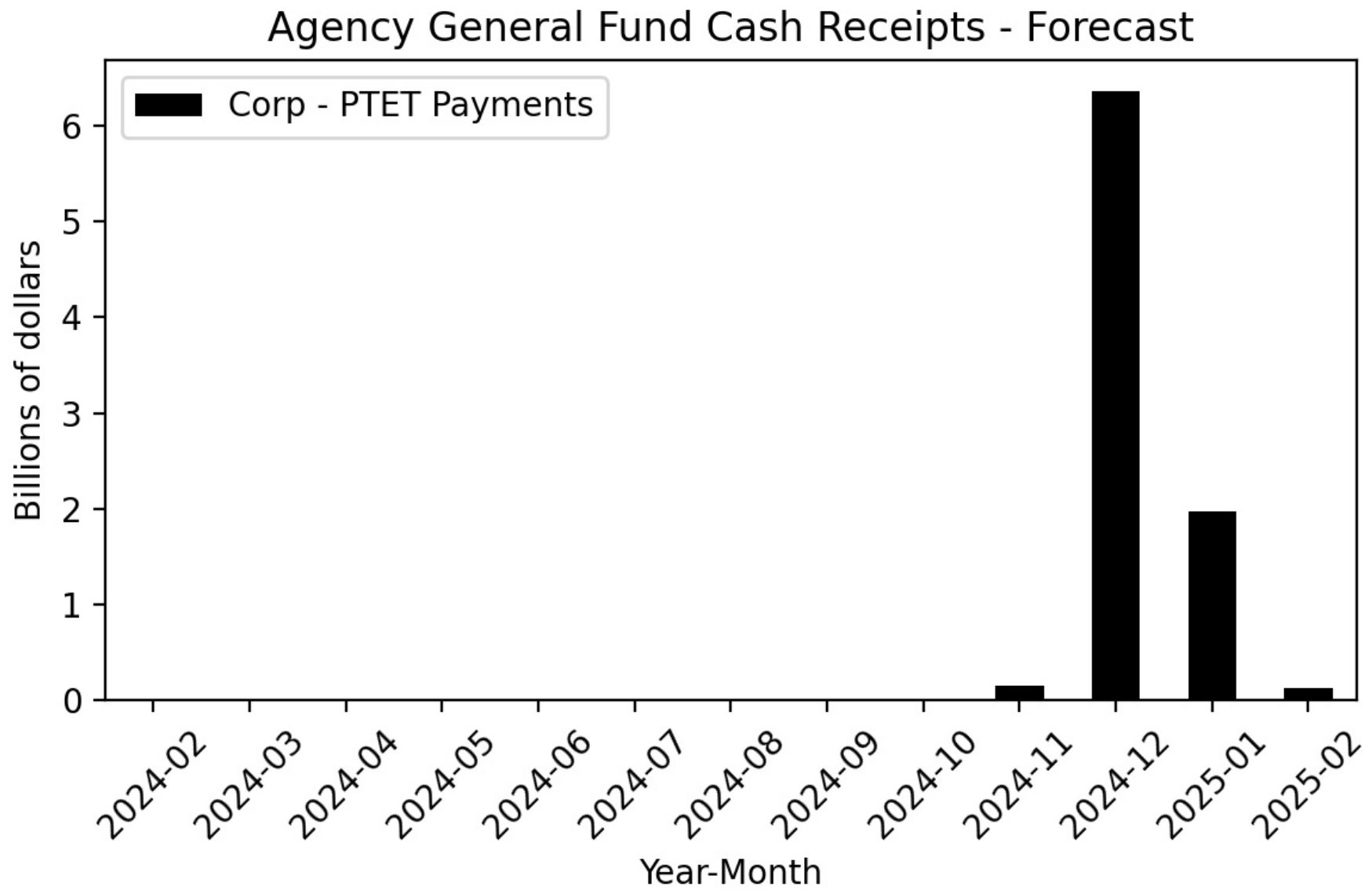


Figure 100

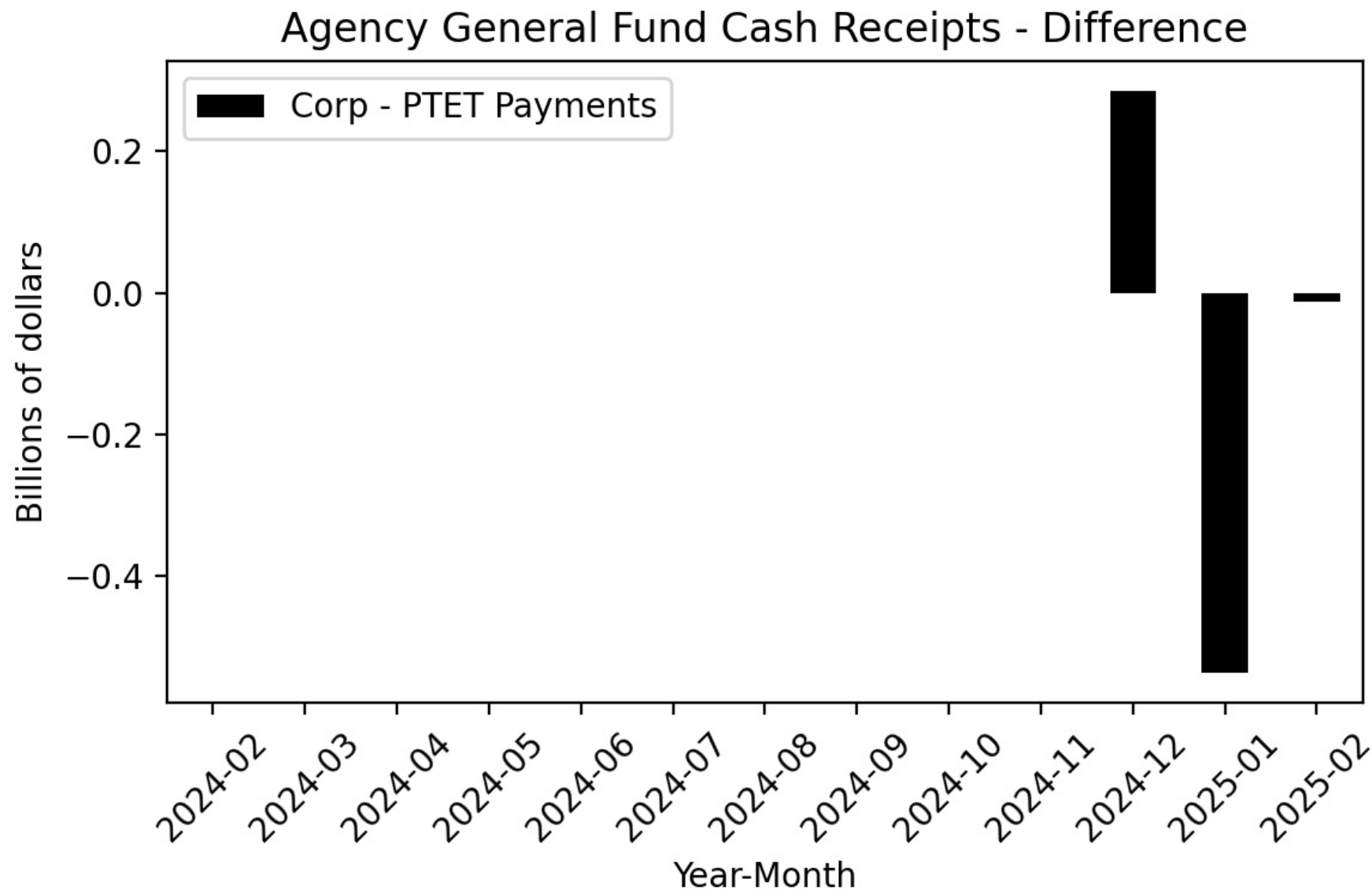


Figure 101

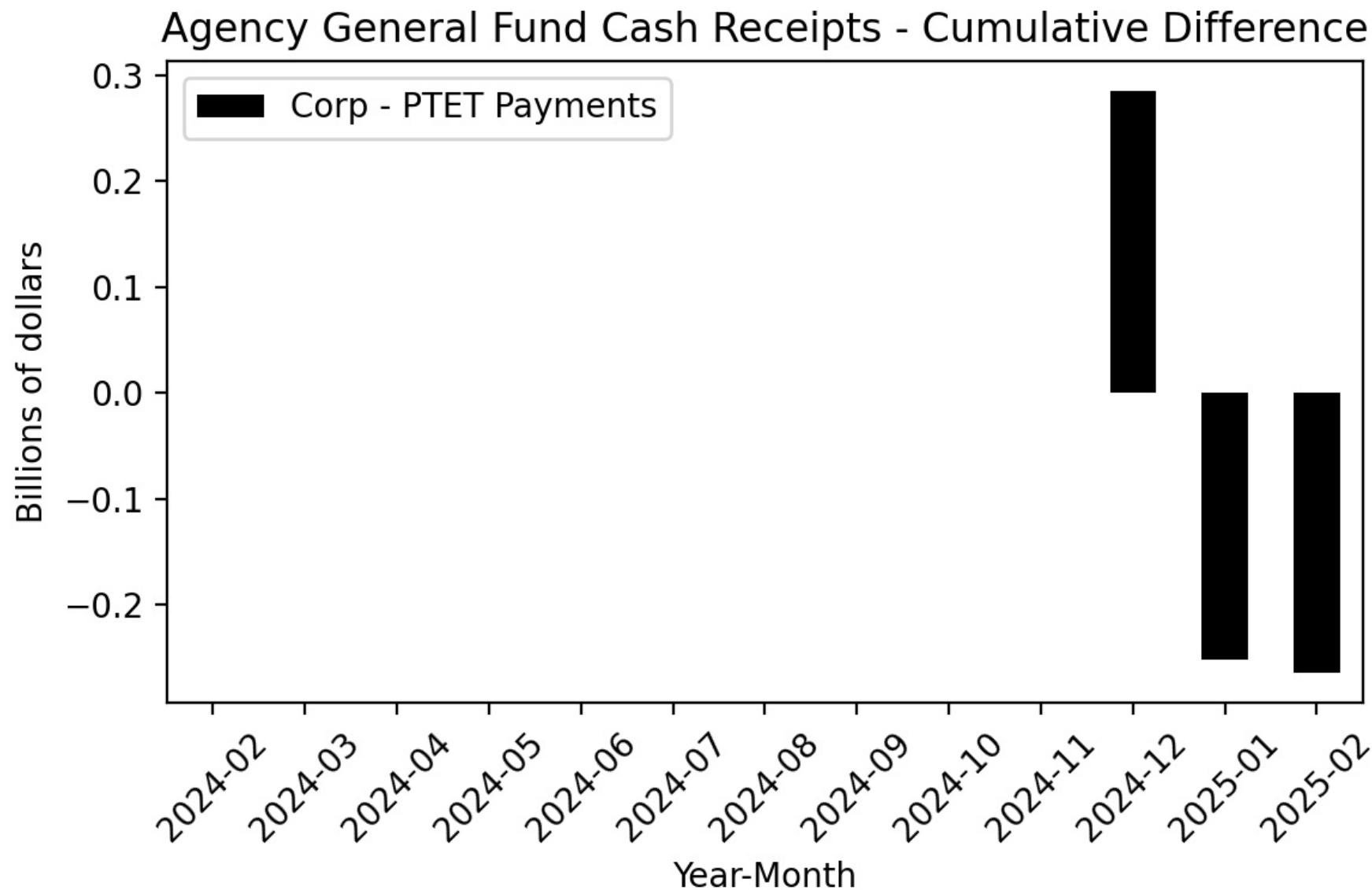


Figure 102

Year-Over-Year Change - Actual and 2024-25 Budget Act
Forecast Corp-PTET Payments

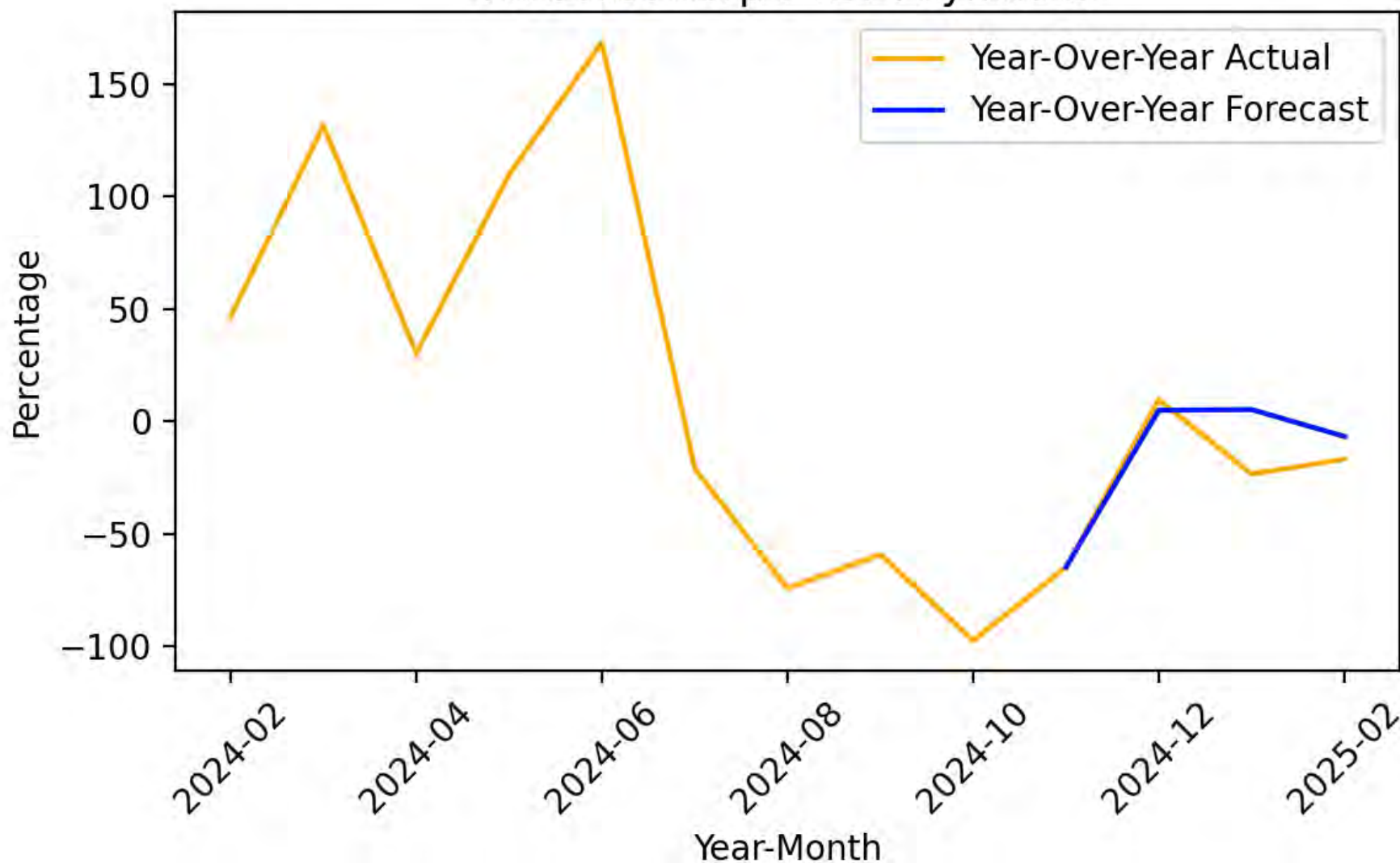


Figure 103

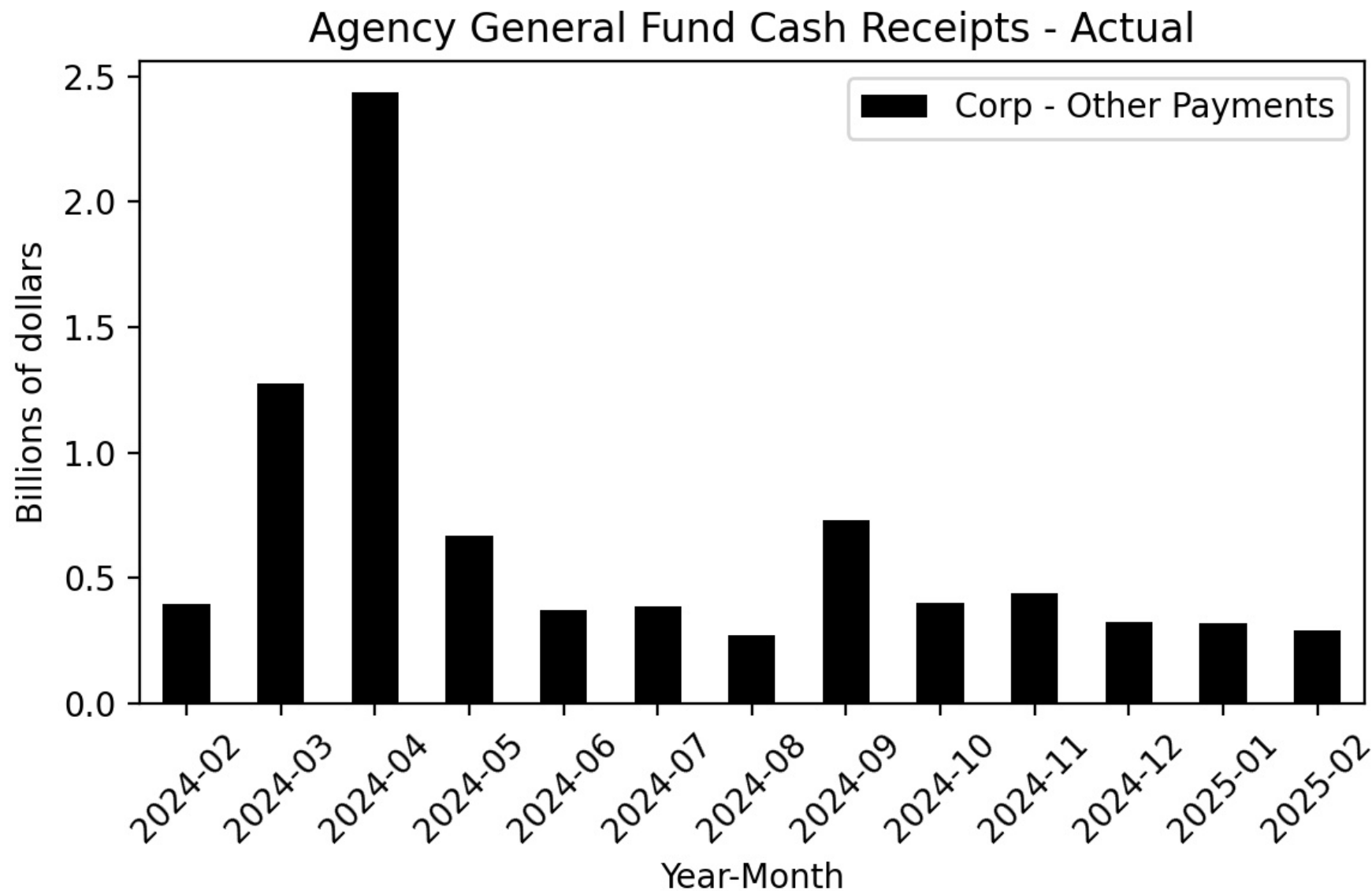


Figure 104

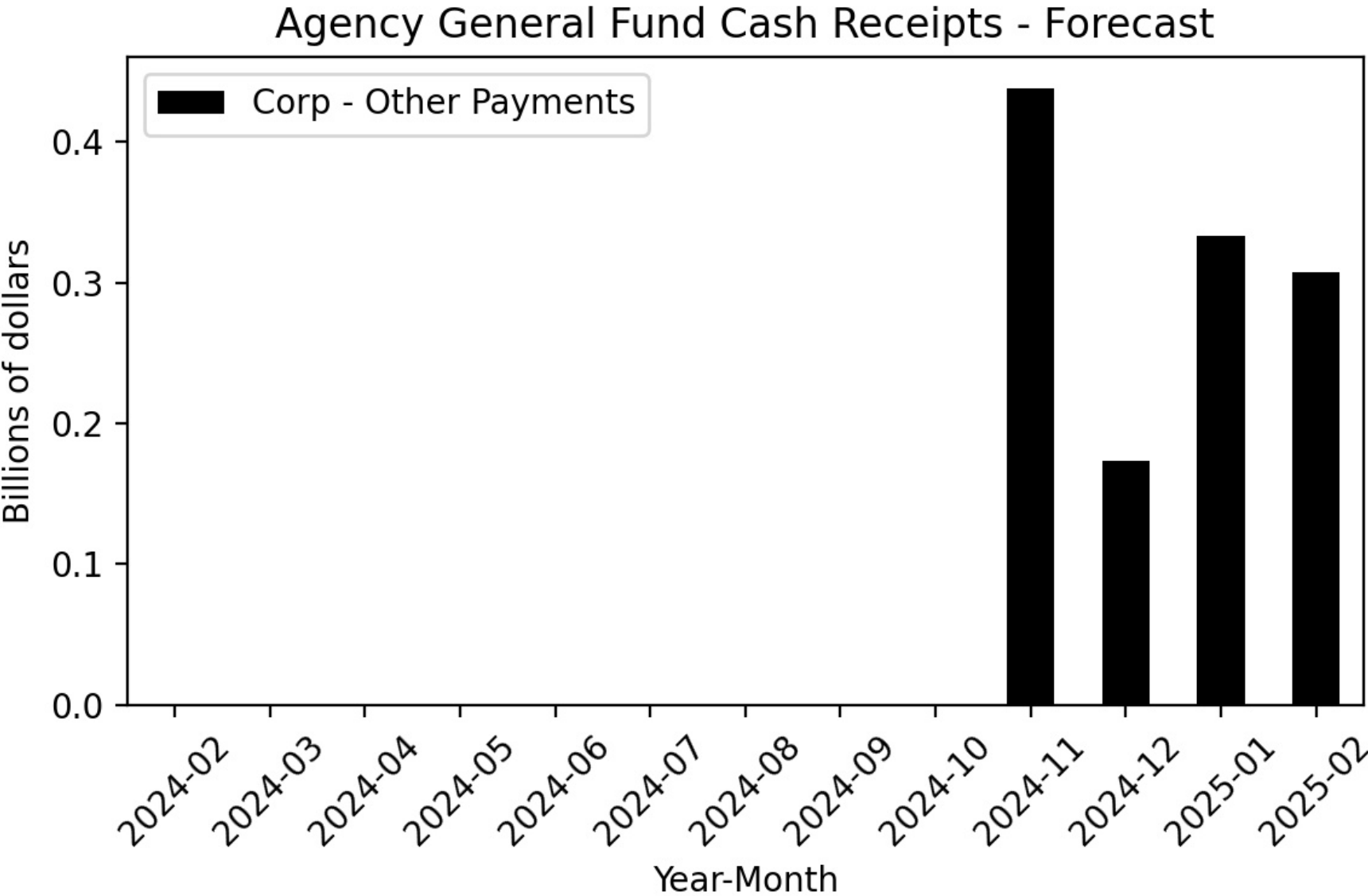


Figure 105

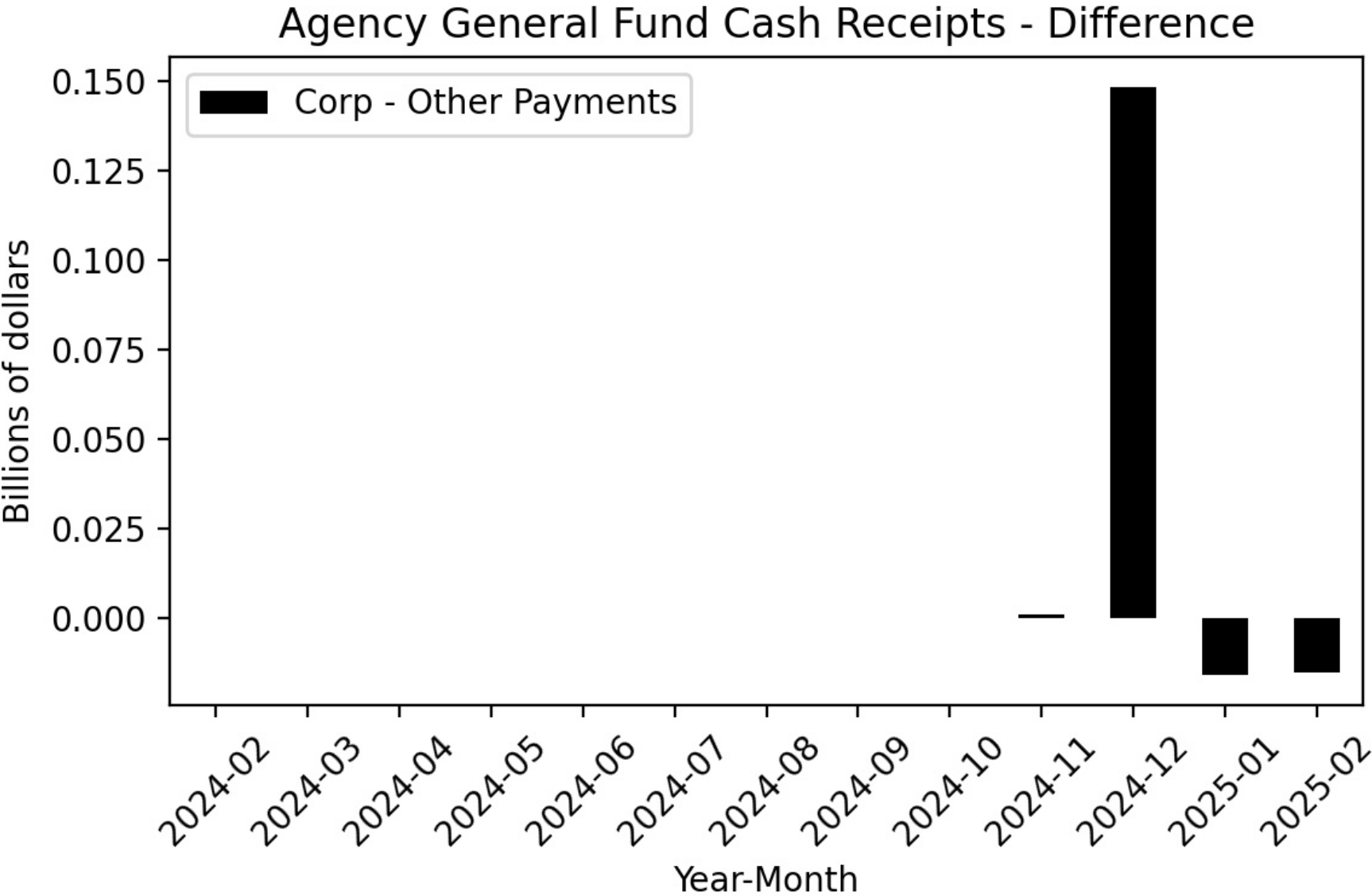


Figure 106

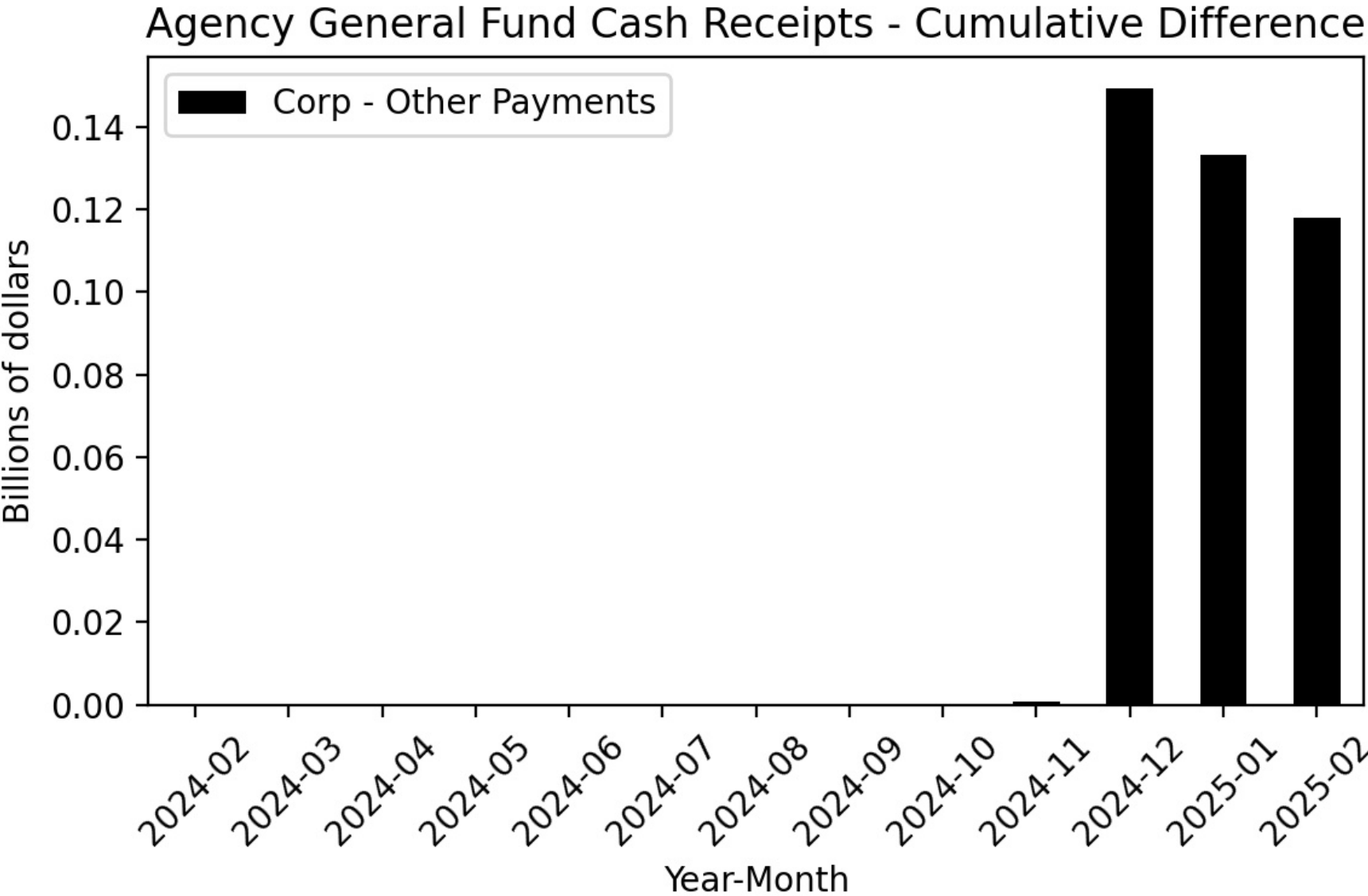


Figure 107

Year-Over-Year Change - Actual and 2024-25 Budget Act Forecast
Corp-Other Payments

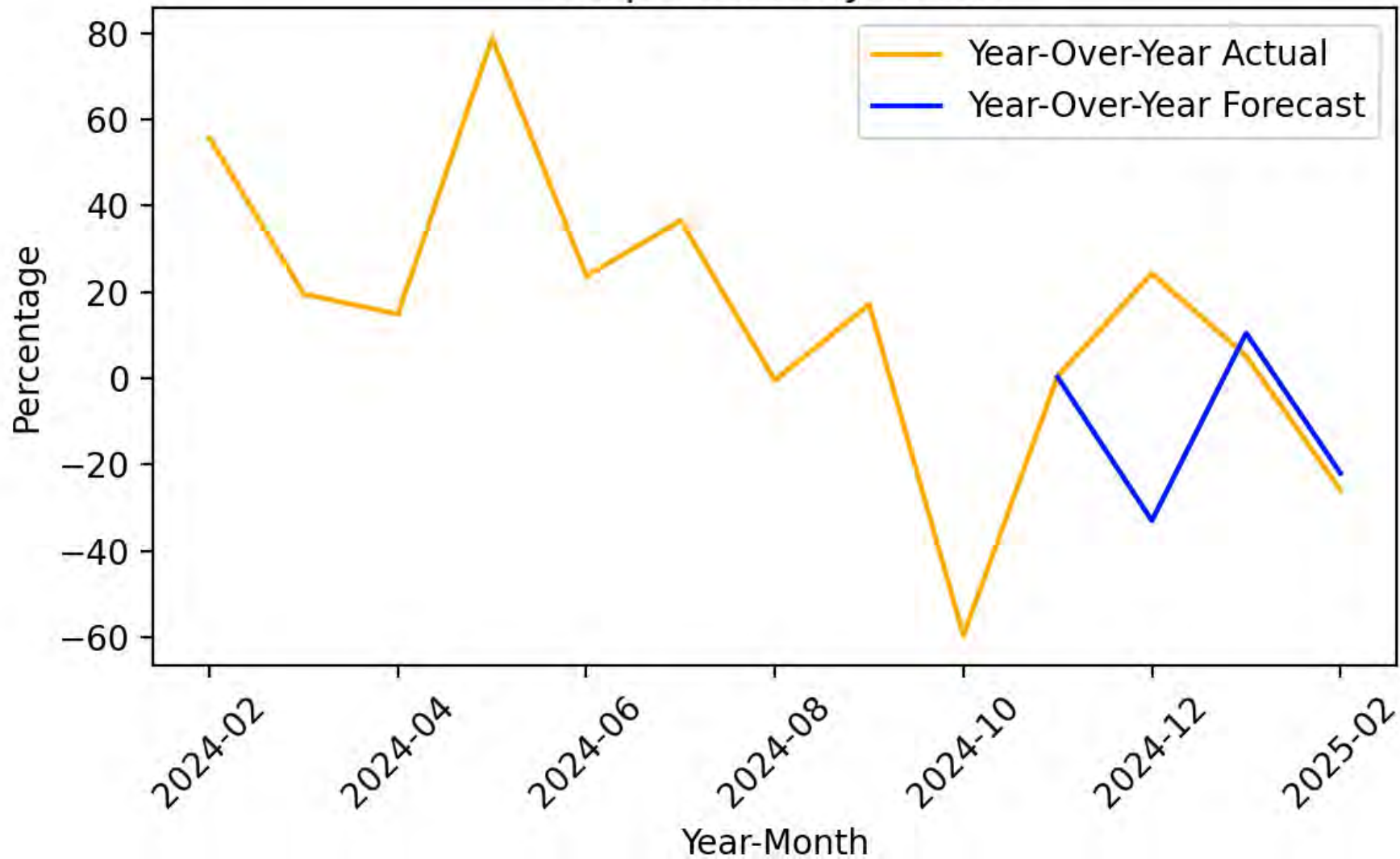


Figure 108

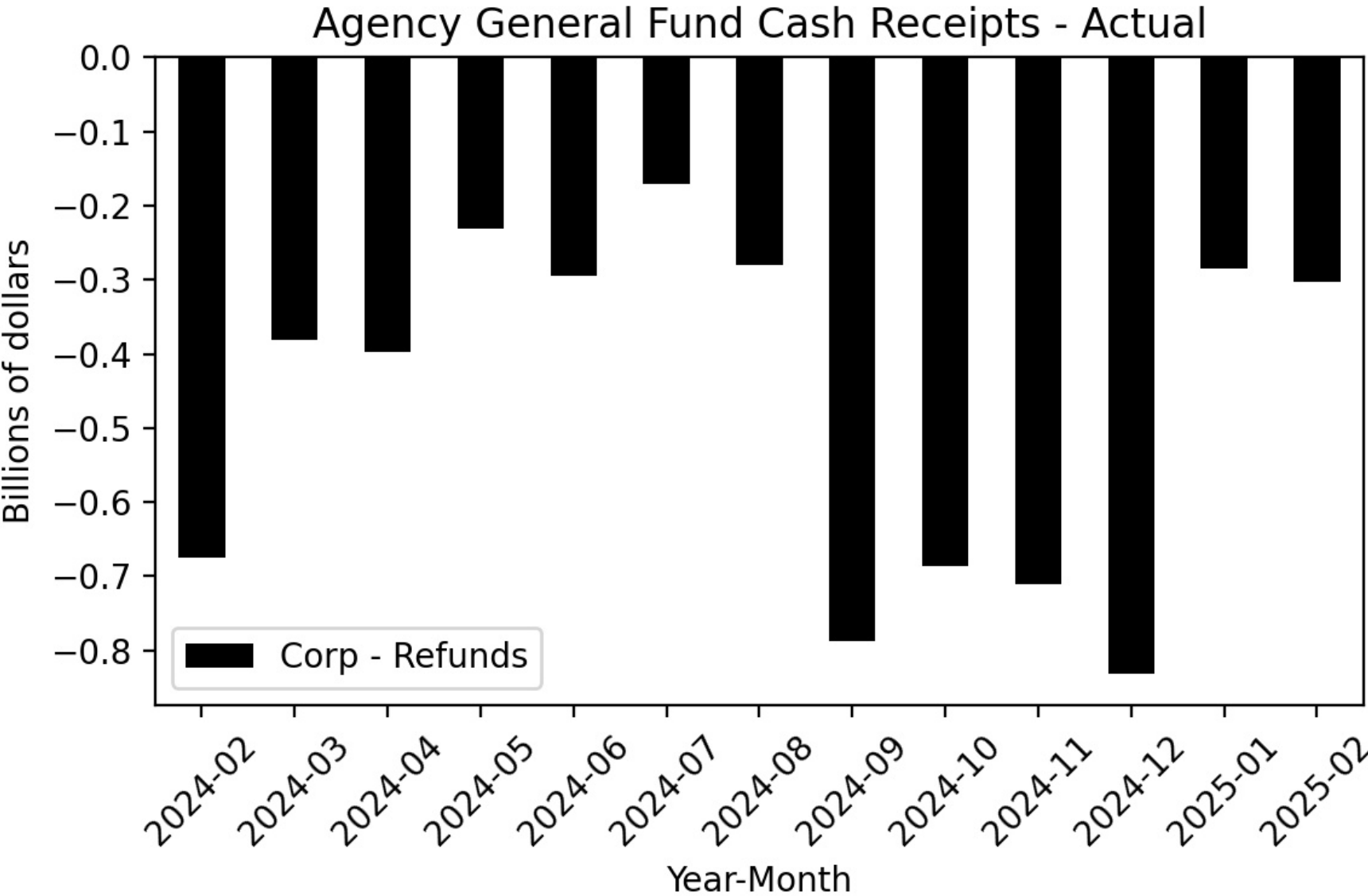


Figure 109

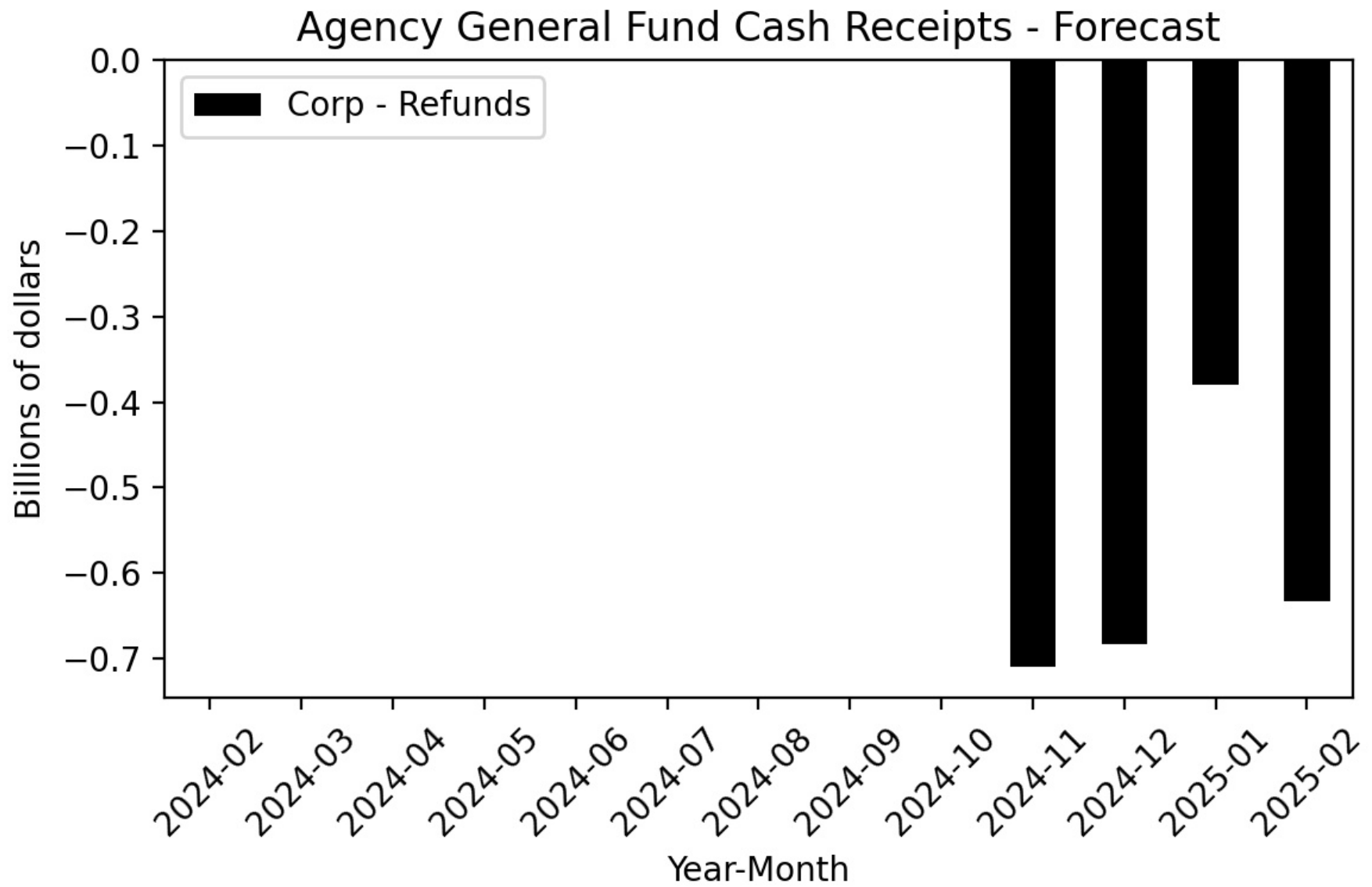


Figure 110

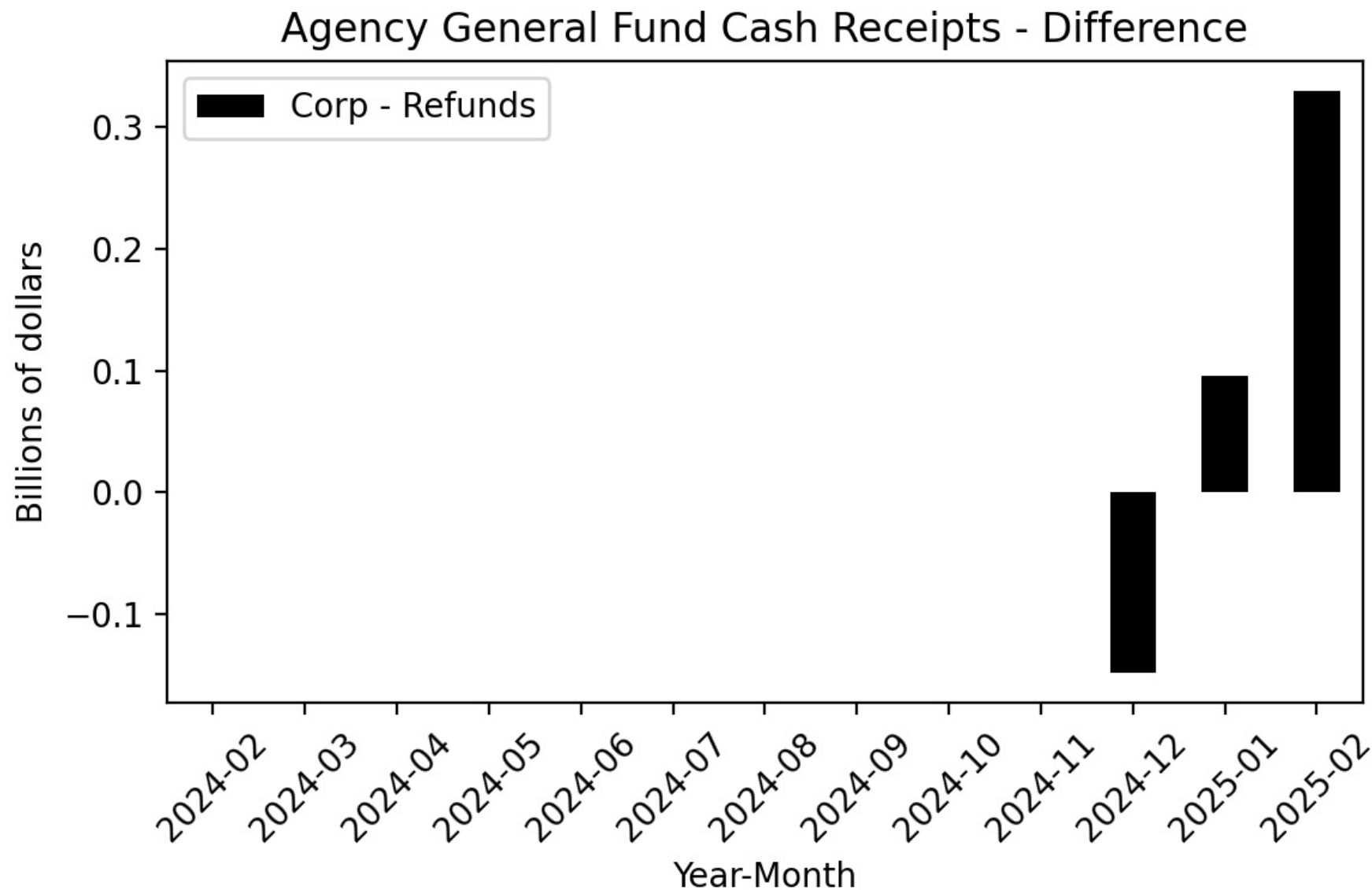


Figure 111

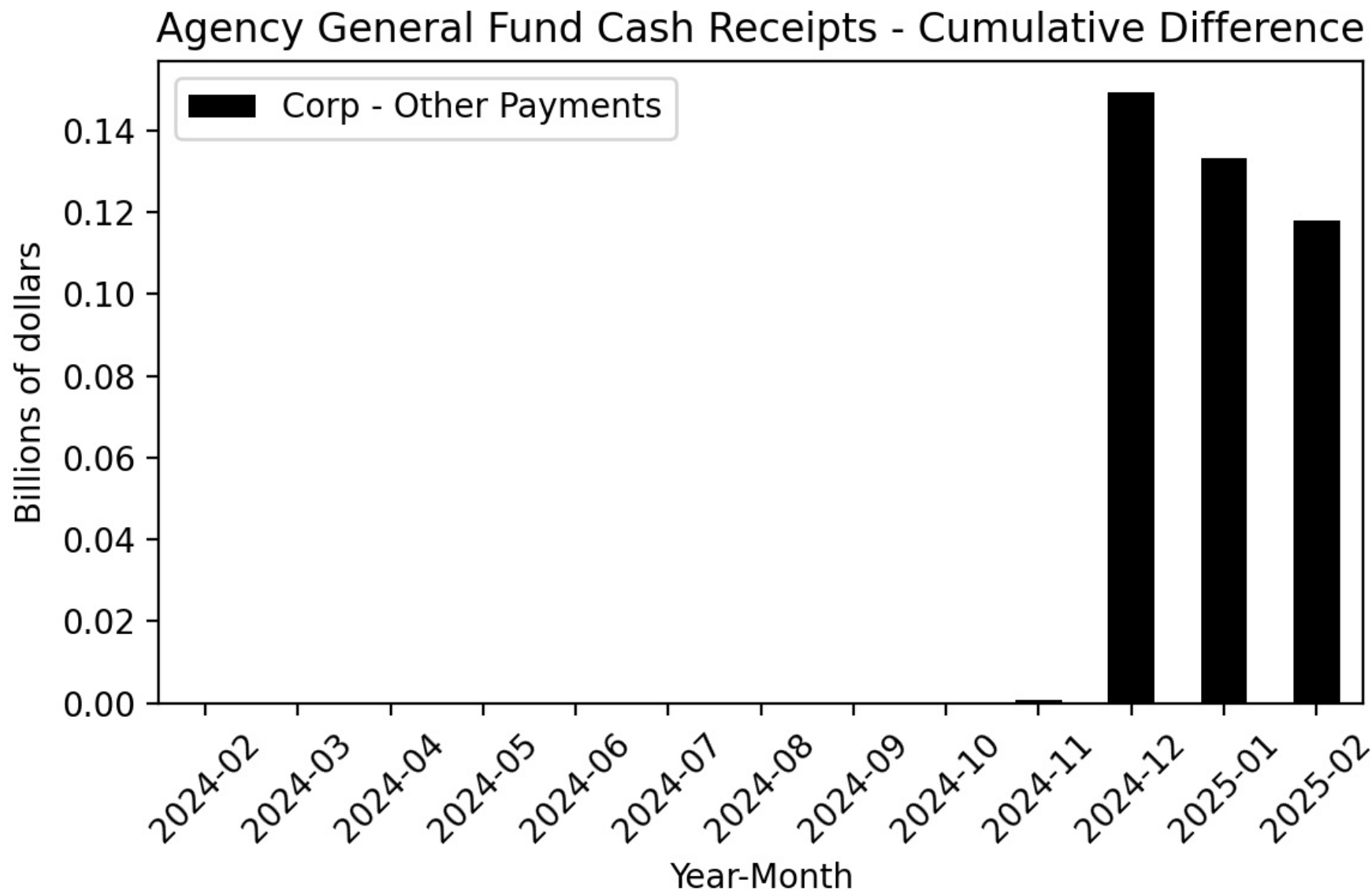


Figure 112

Year-Over-Year Change - Actual and 2024-25 Budget Act Forecast
Corp-Refunds

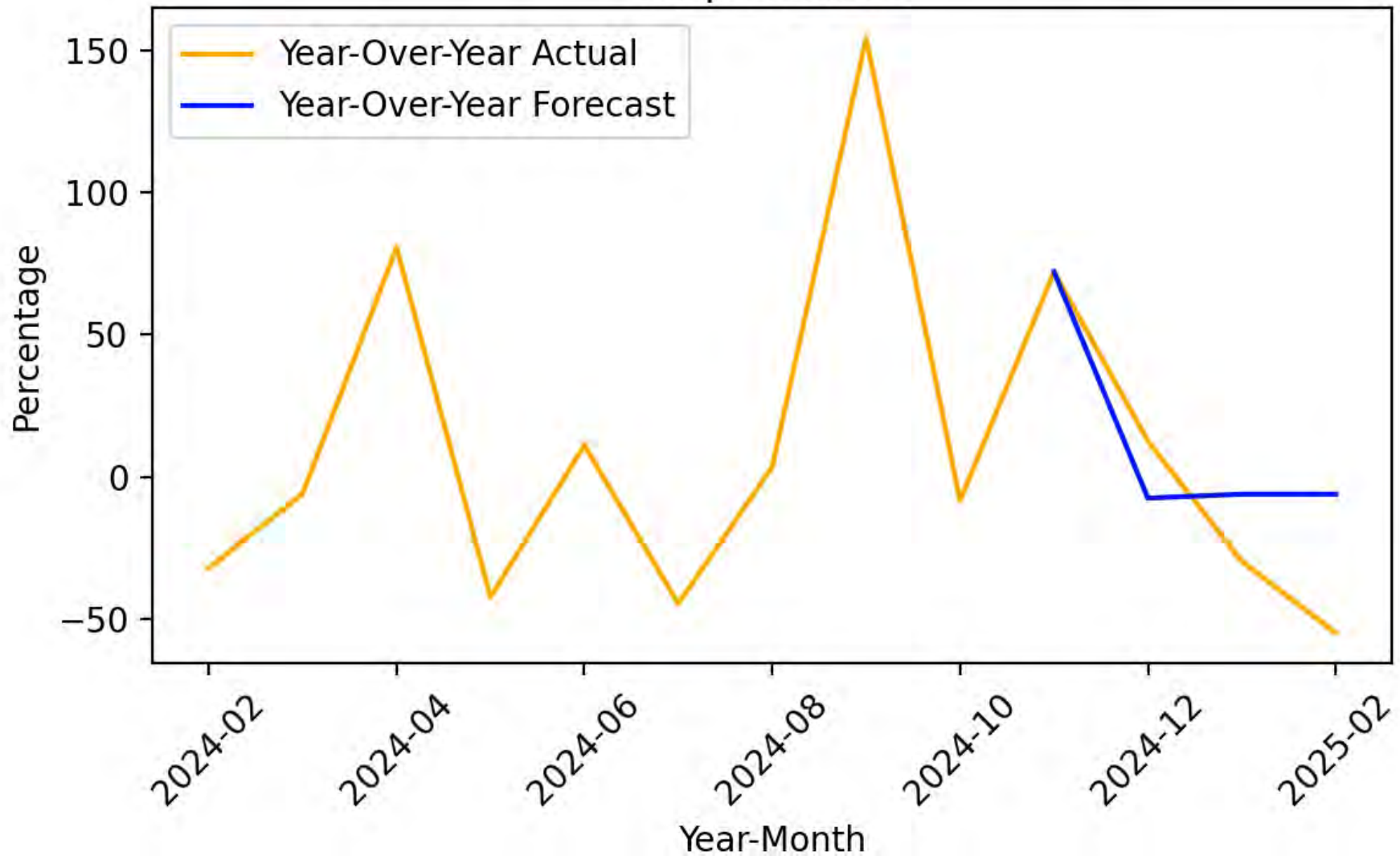


Figure 113

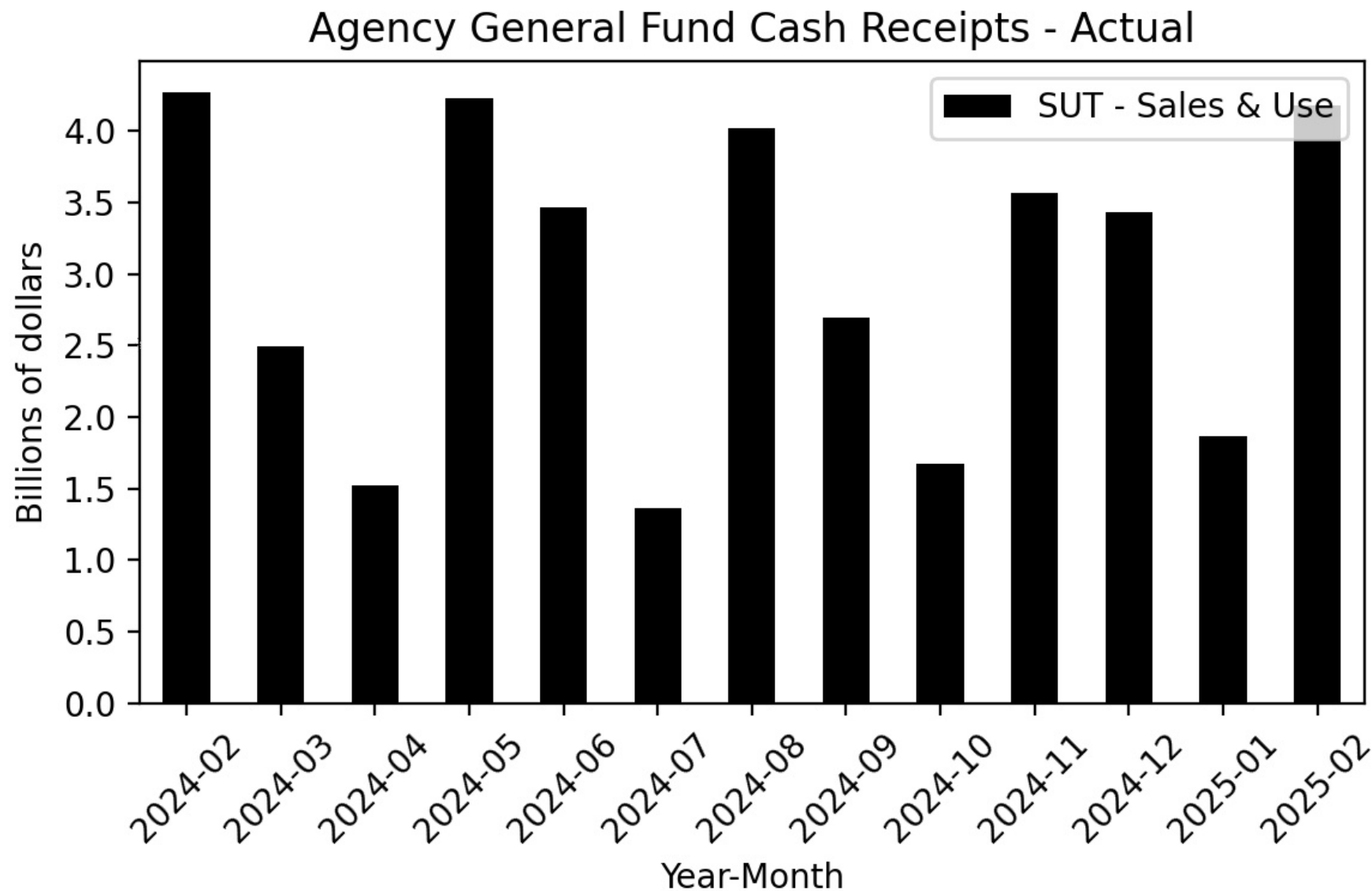


Figure 114

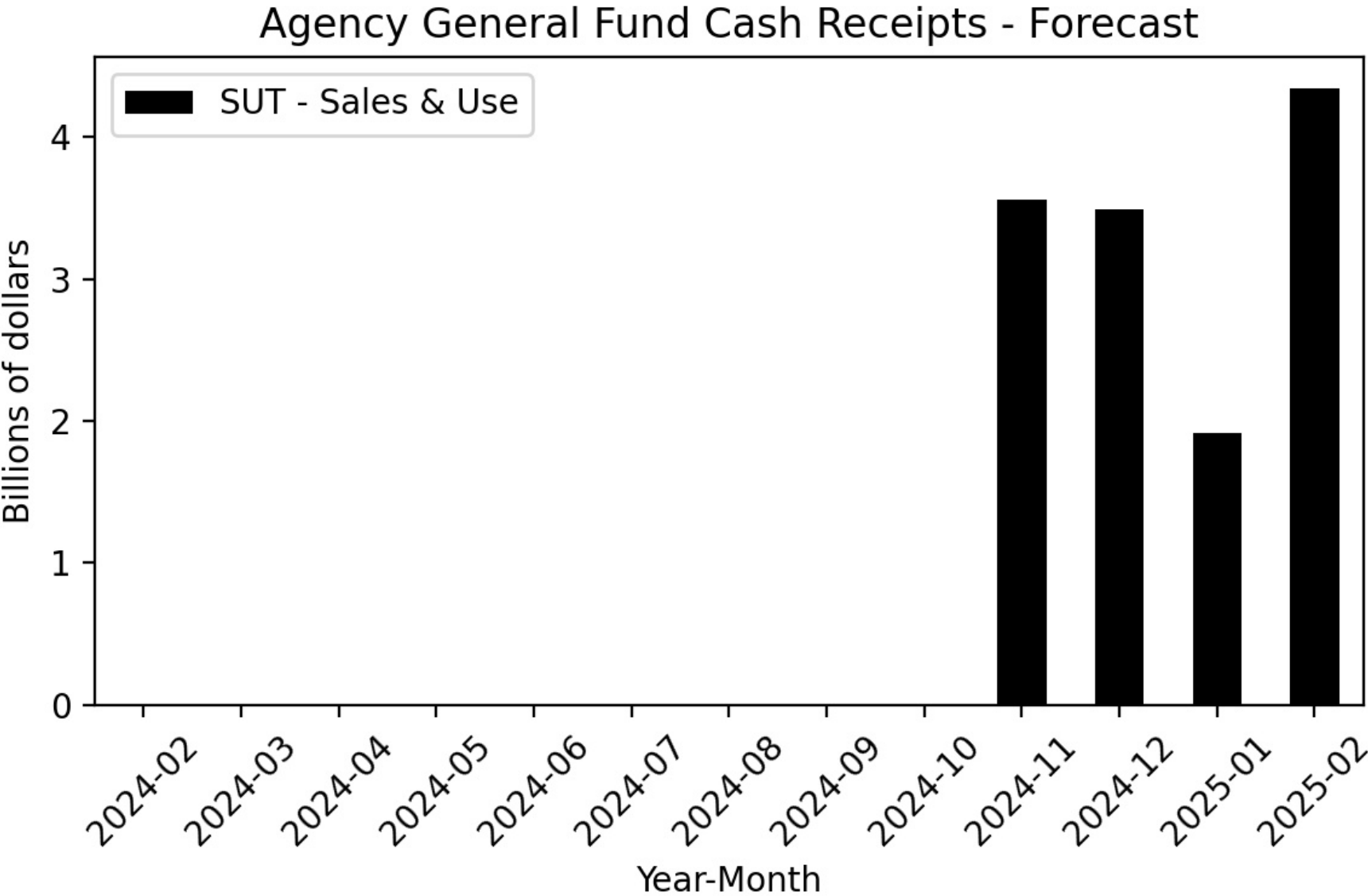


Figure 115

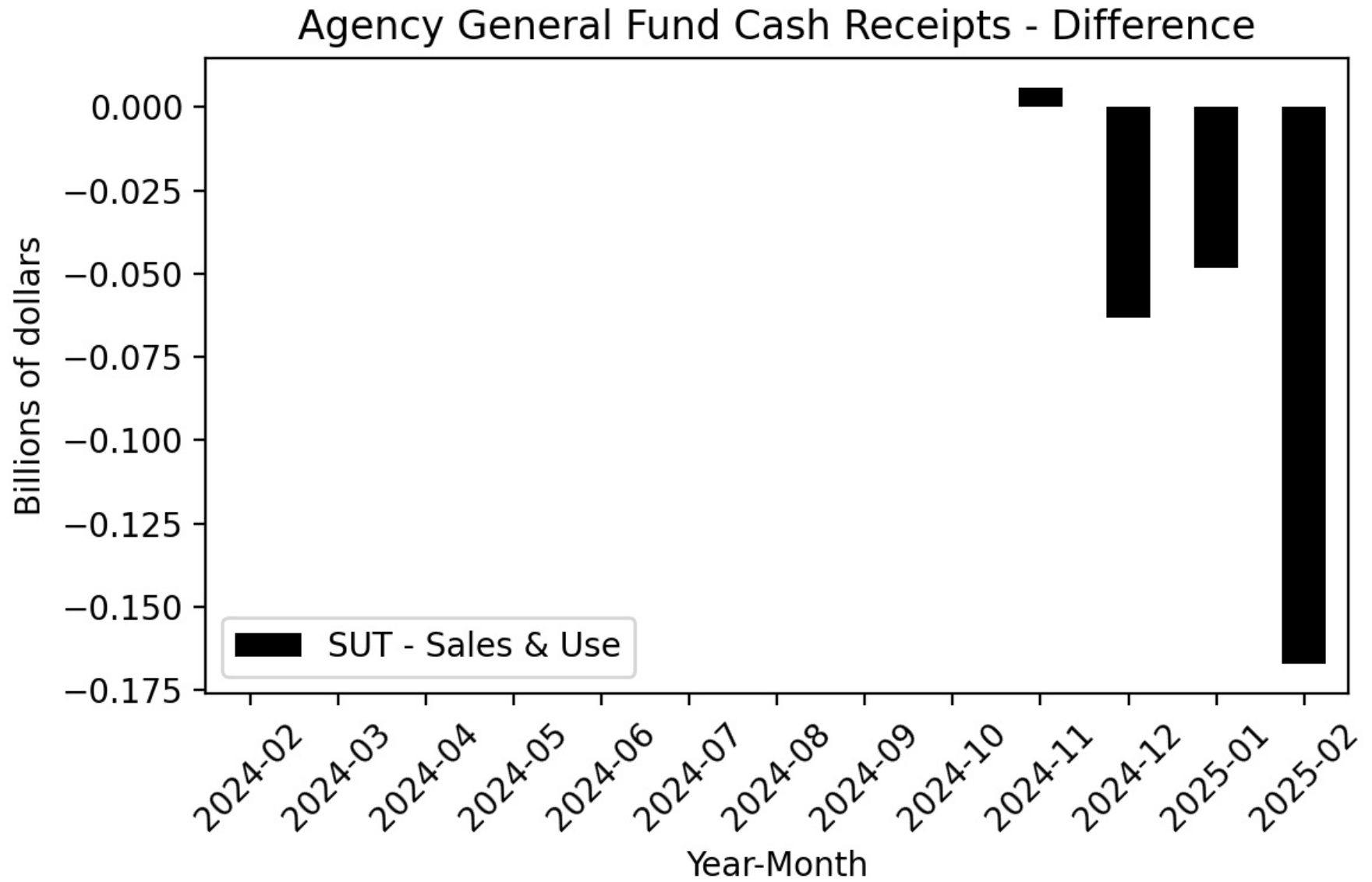


Figure 116

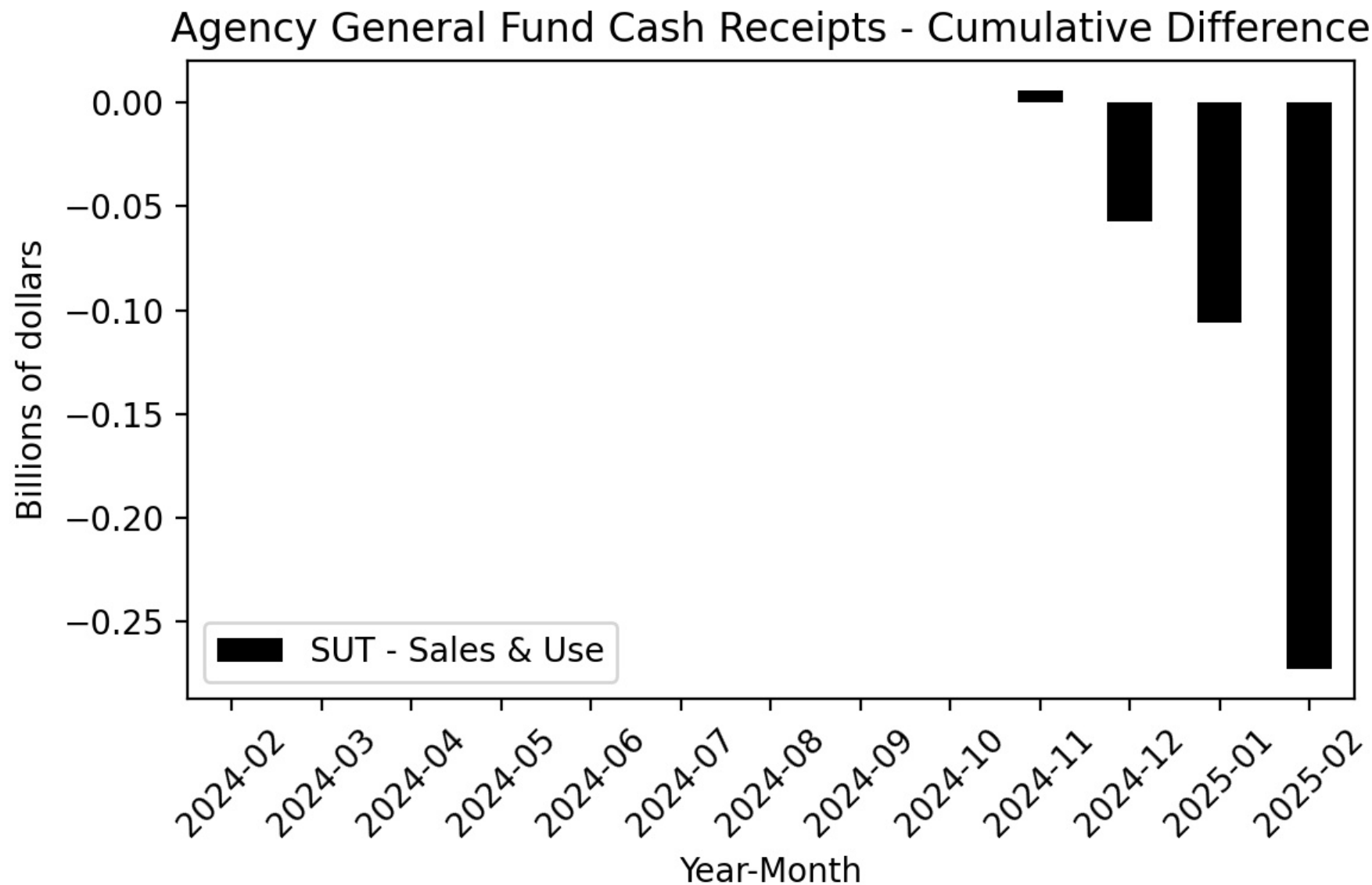


Figure 117

Year-Over-Year Change - Actual and 2024-25 Budget Act Forecast
SUT-Sales & Use

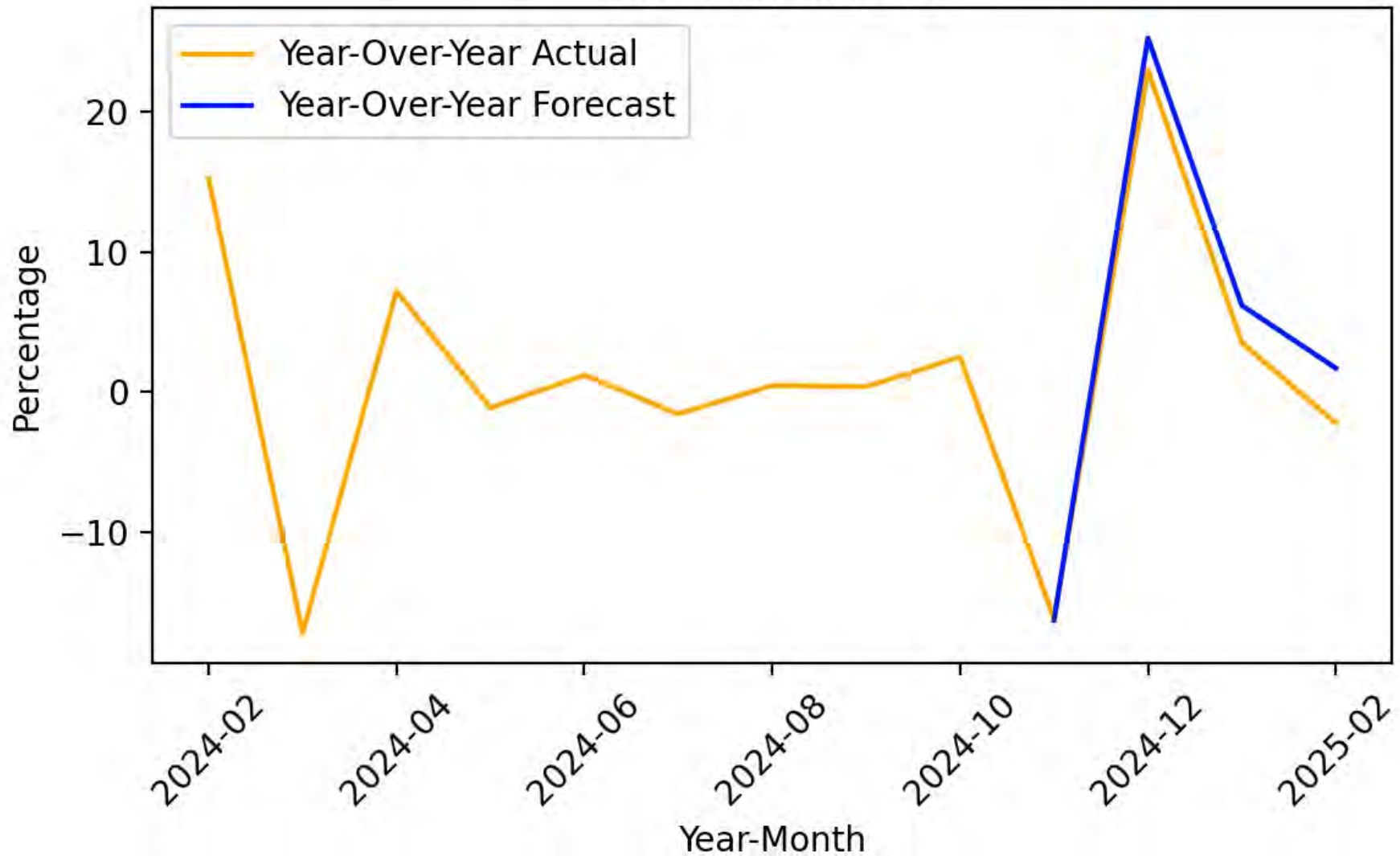


Figure 118

Other Tax - Agency General Fund Revenues (Actual)

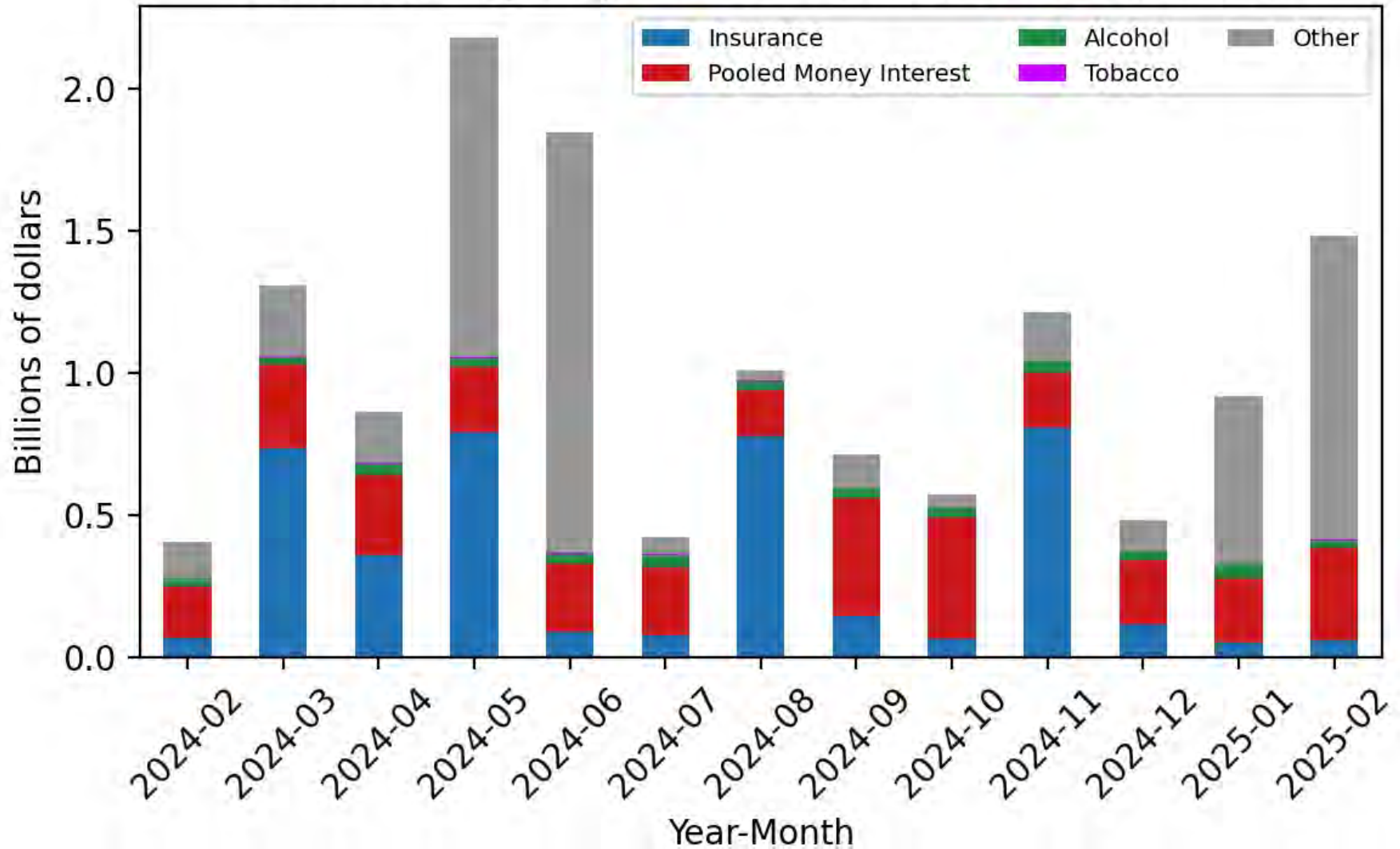


Figure 119

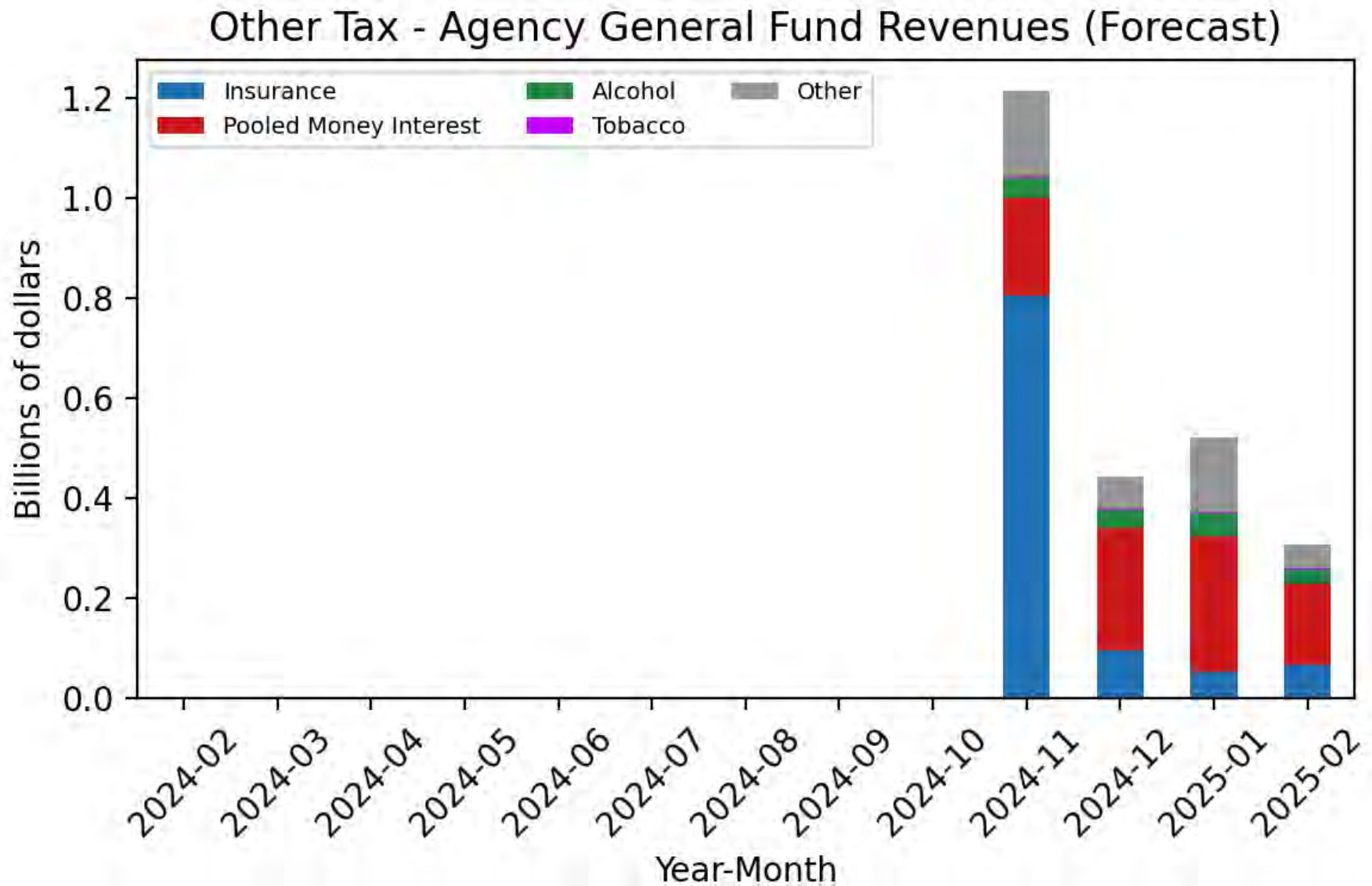


Figure 120

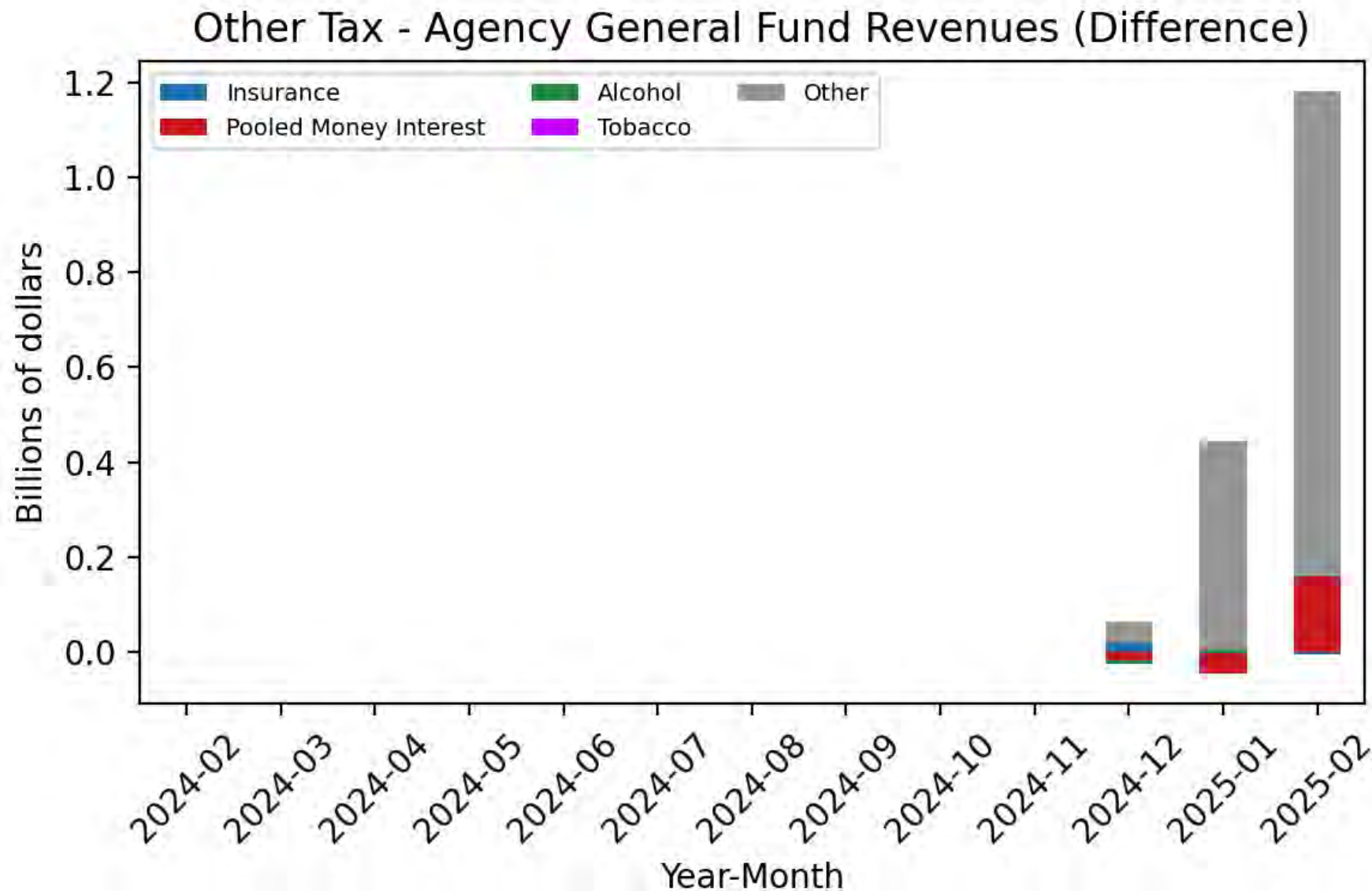


Figure 121

Other Tax - Agency General Fund Revenues (Cumulative Difference)

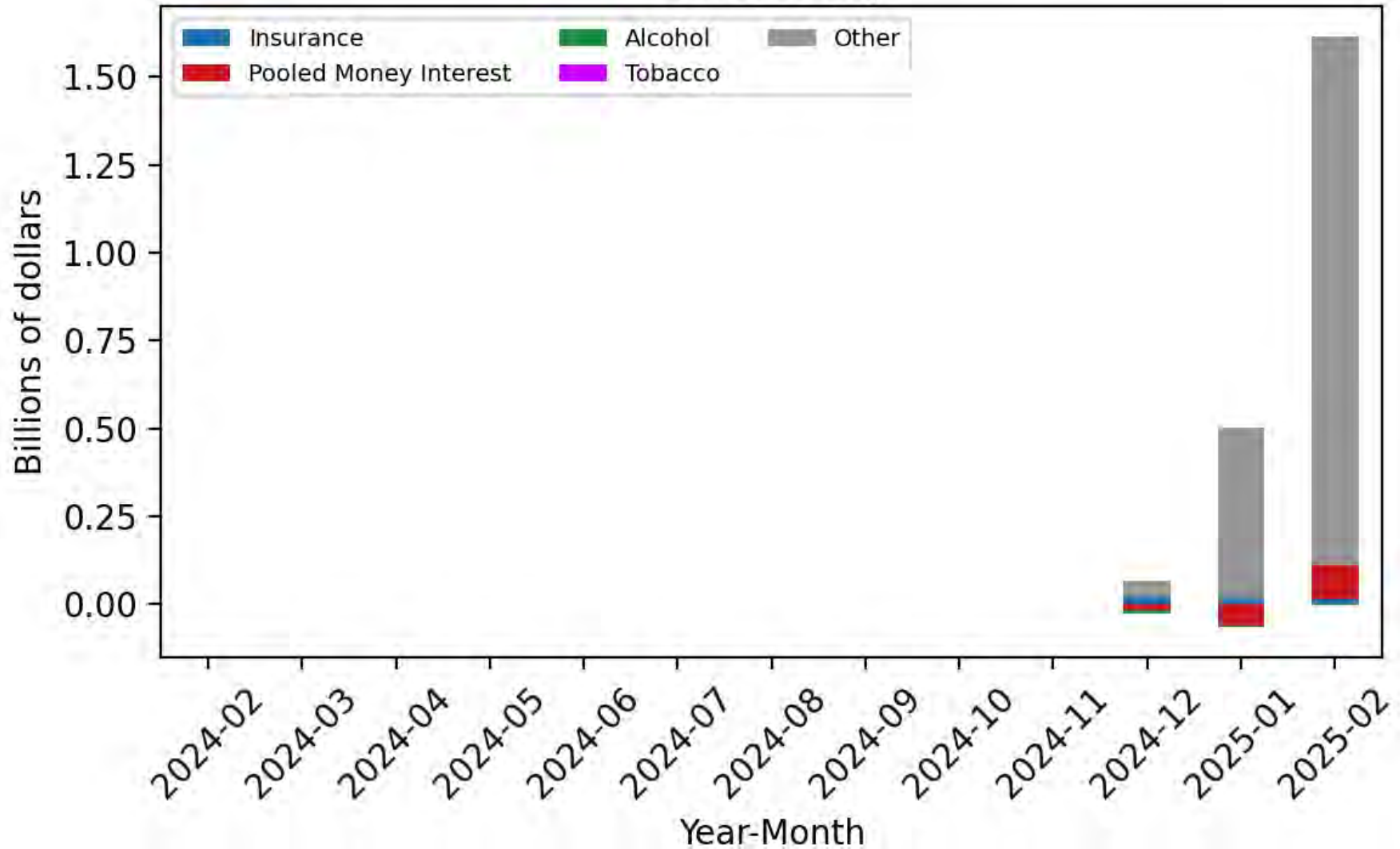


Figure 122

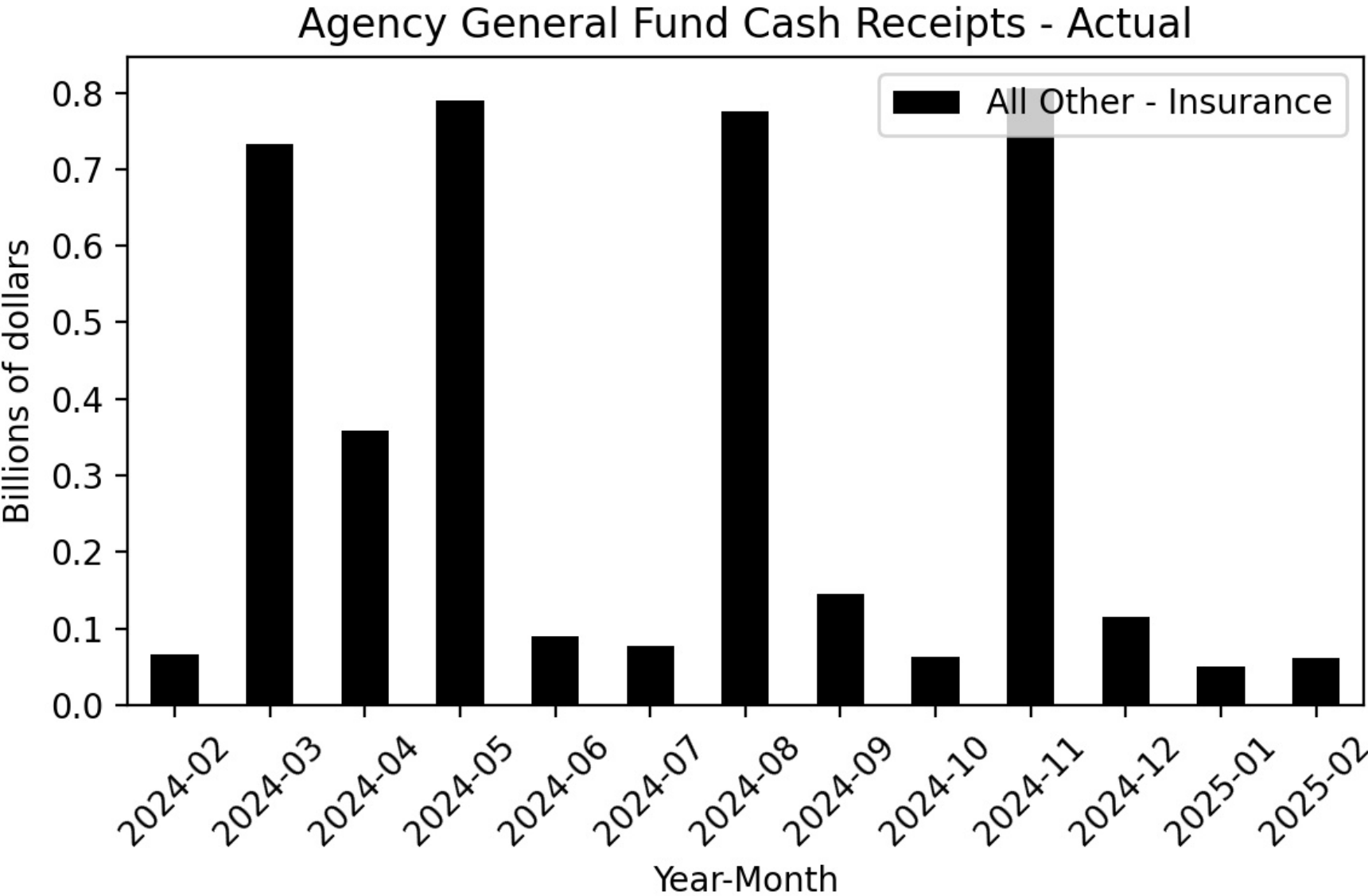


Figure 123

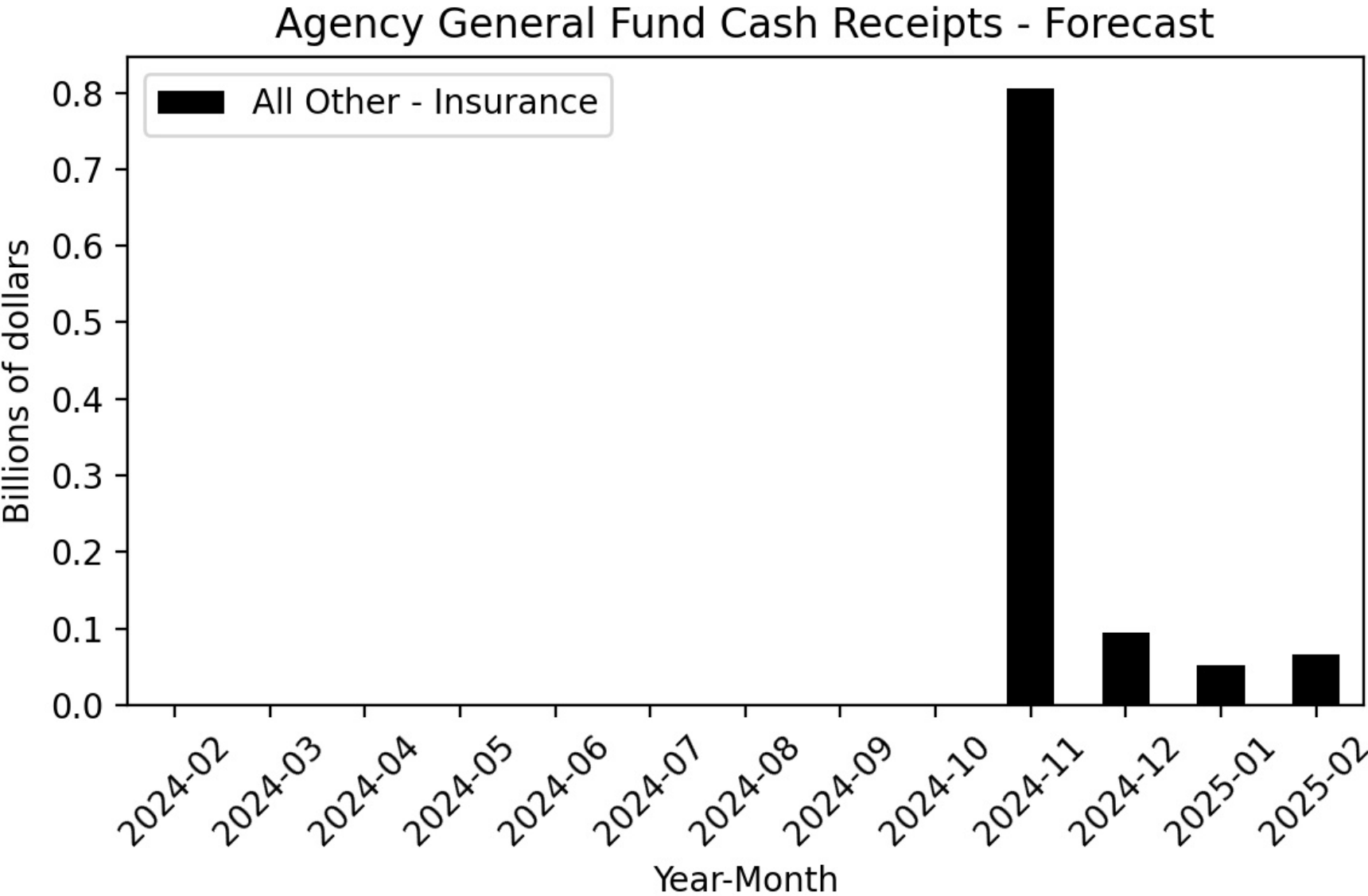


Figure 124

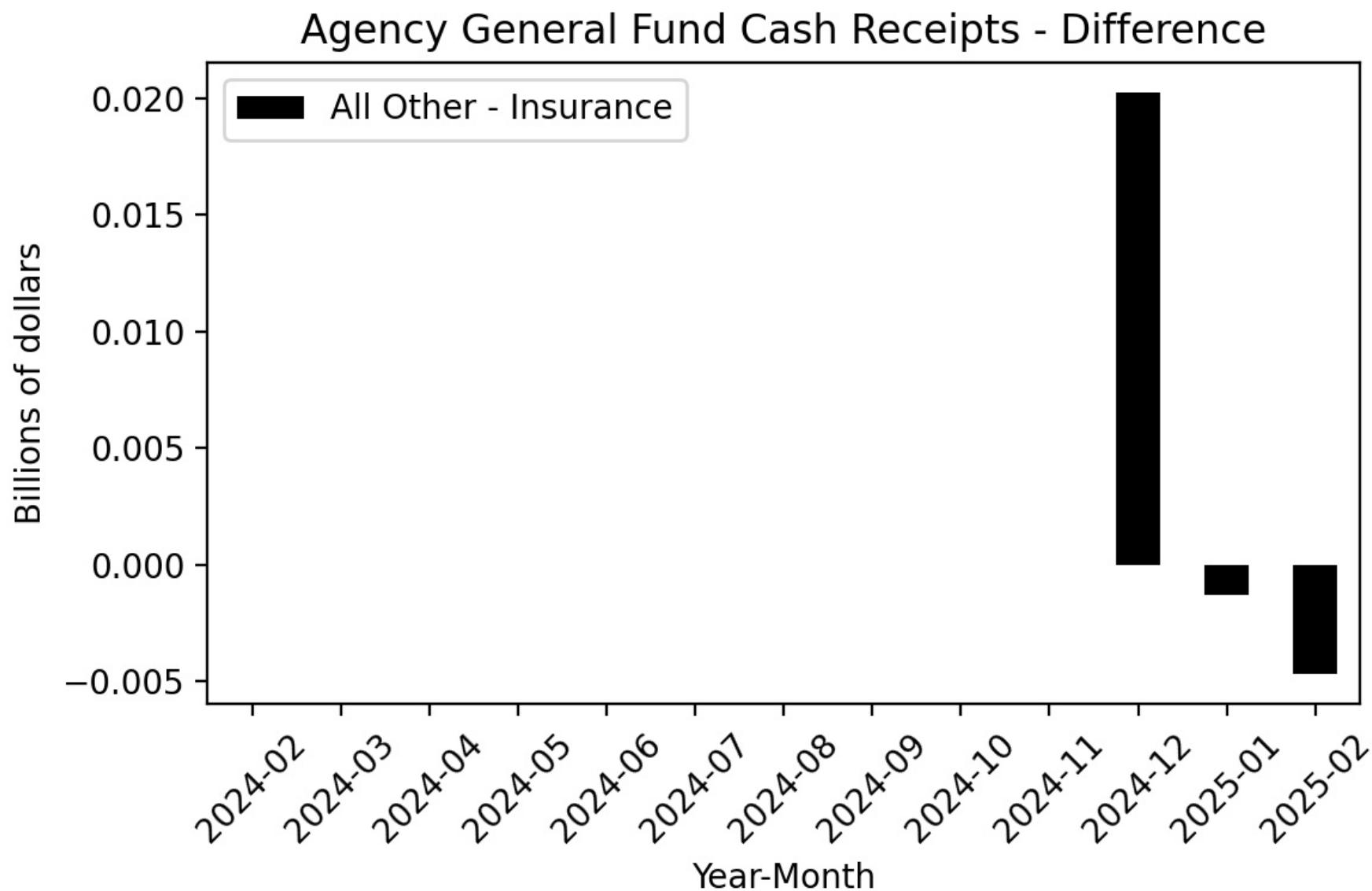


Figure 125

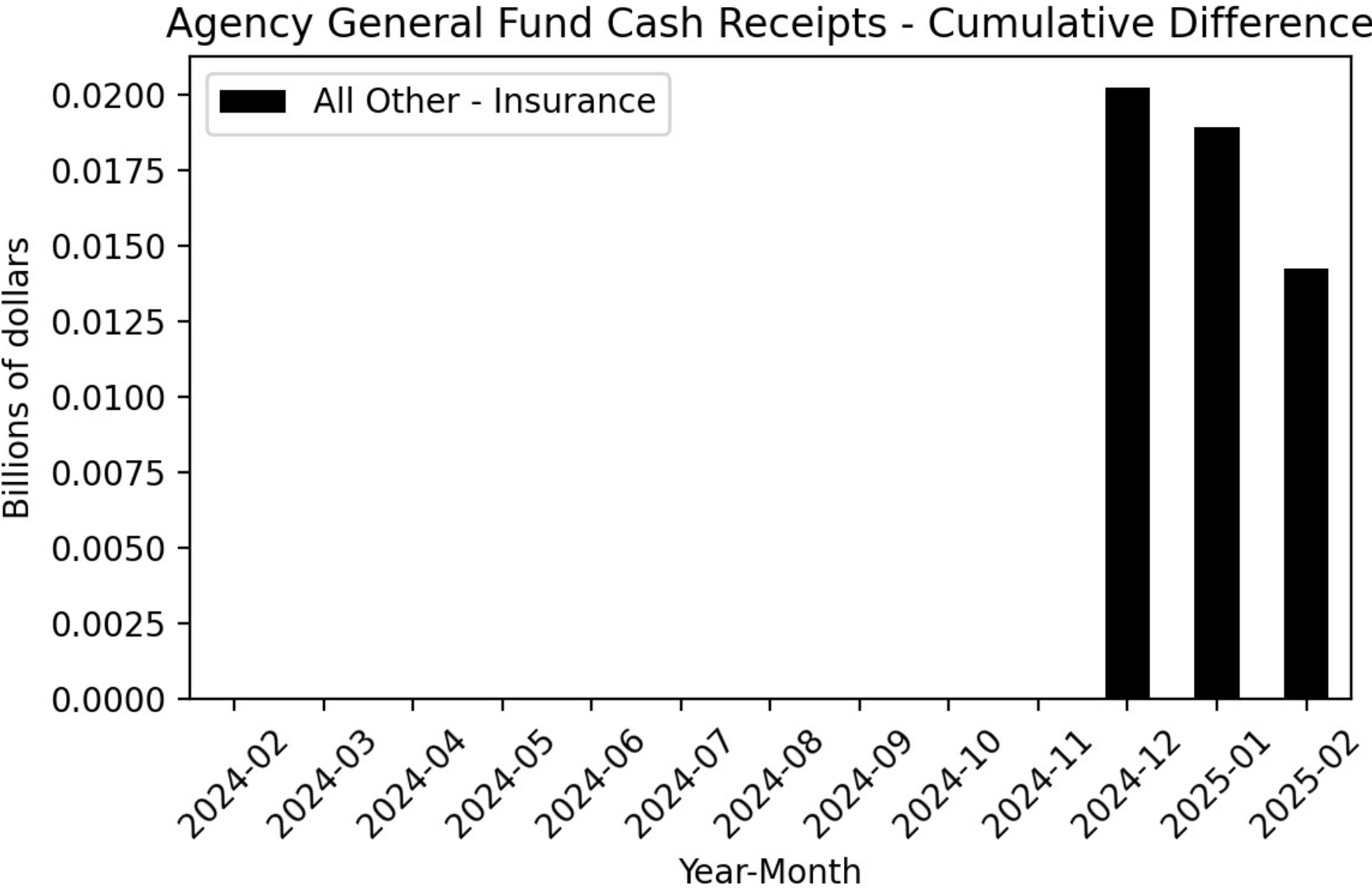


Figure 126

Year-Over-Year Change - Actual and 2024-25 Budget Act Forecast
All Other-Insurance

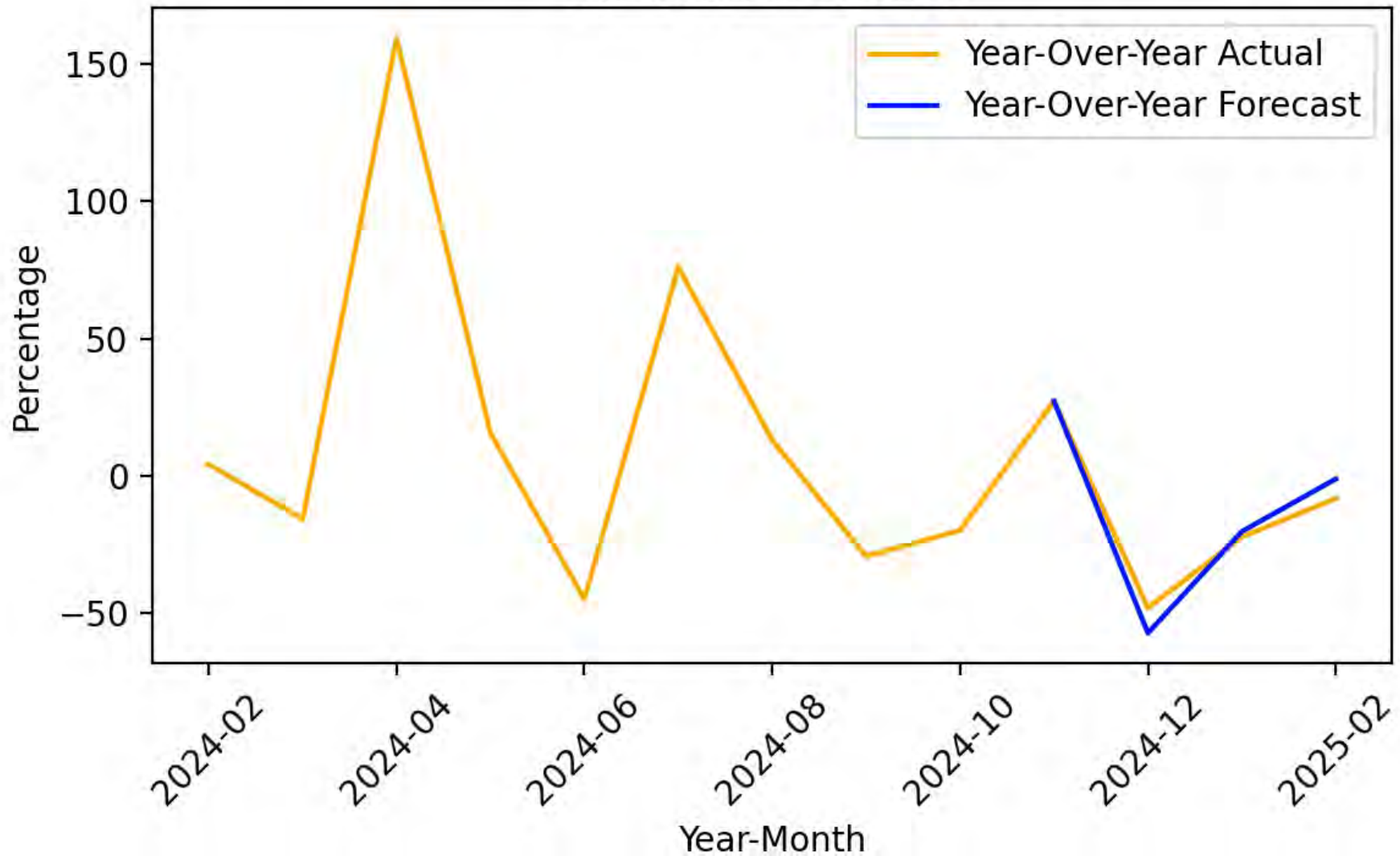


Figure 127

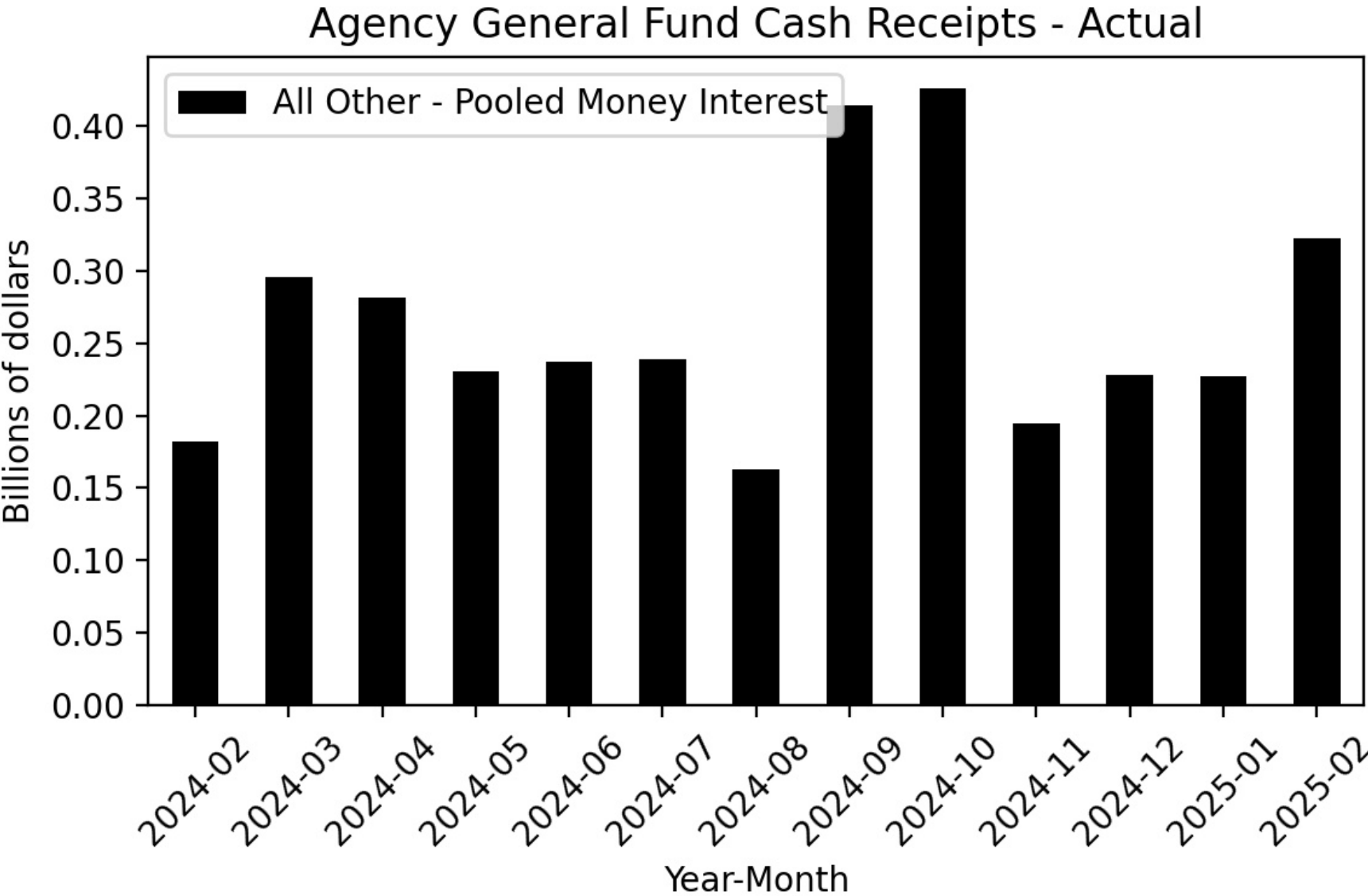


Figure 128

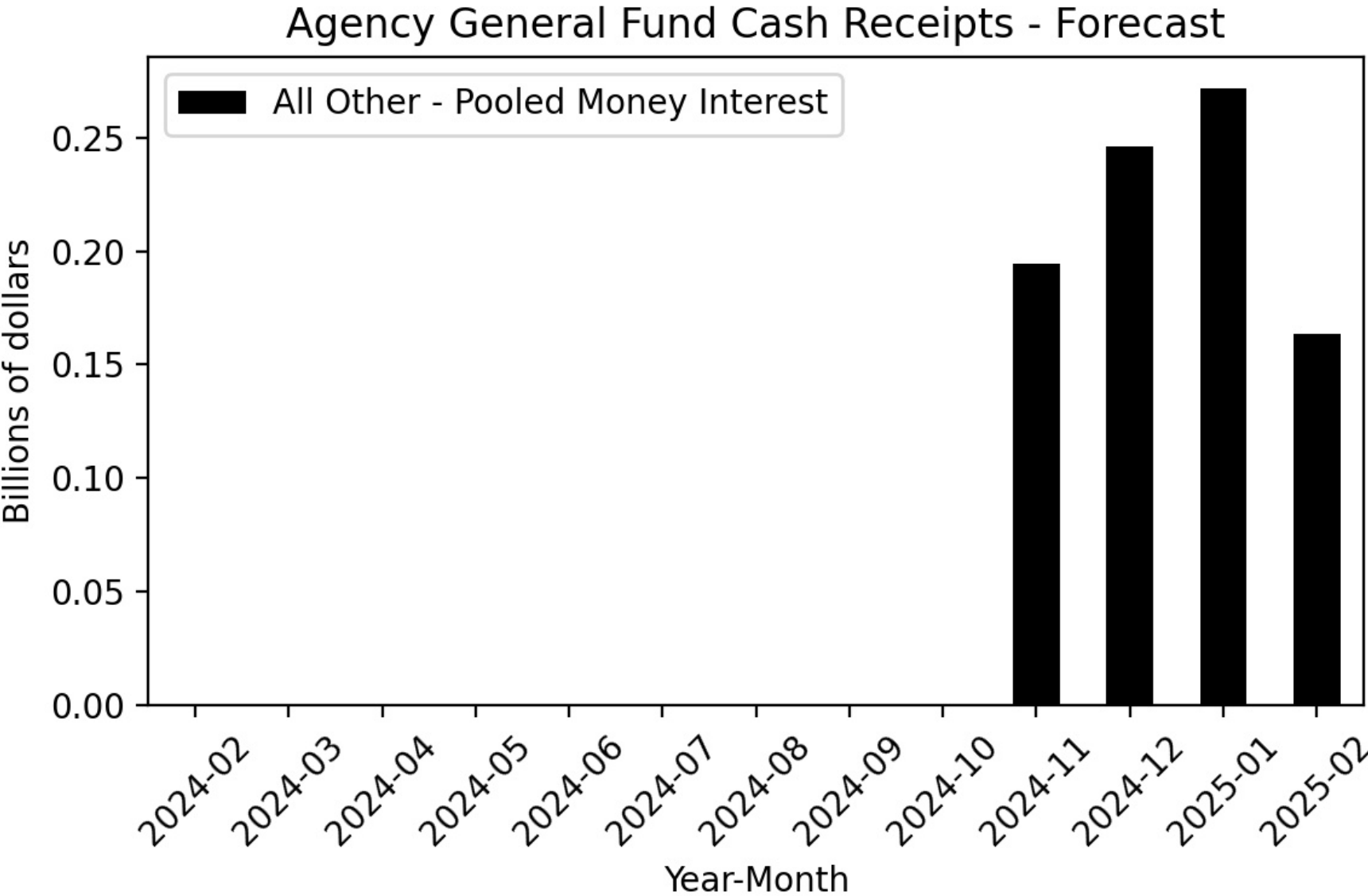


Figure 129

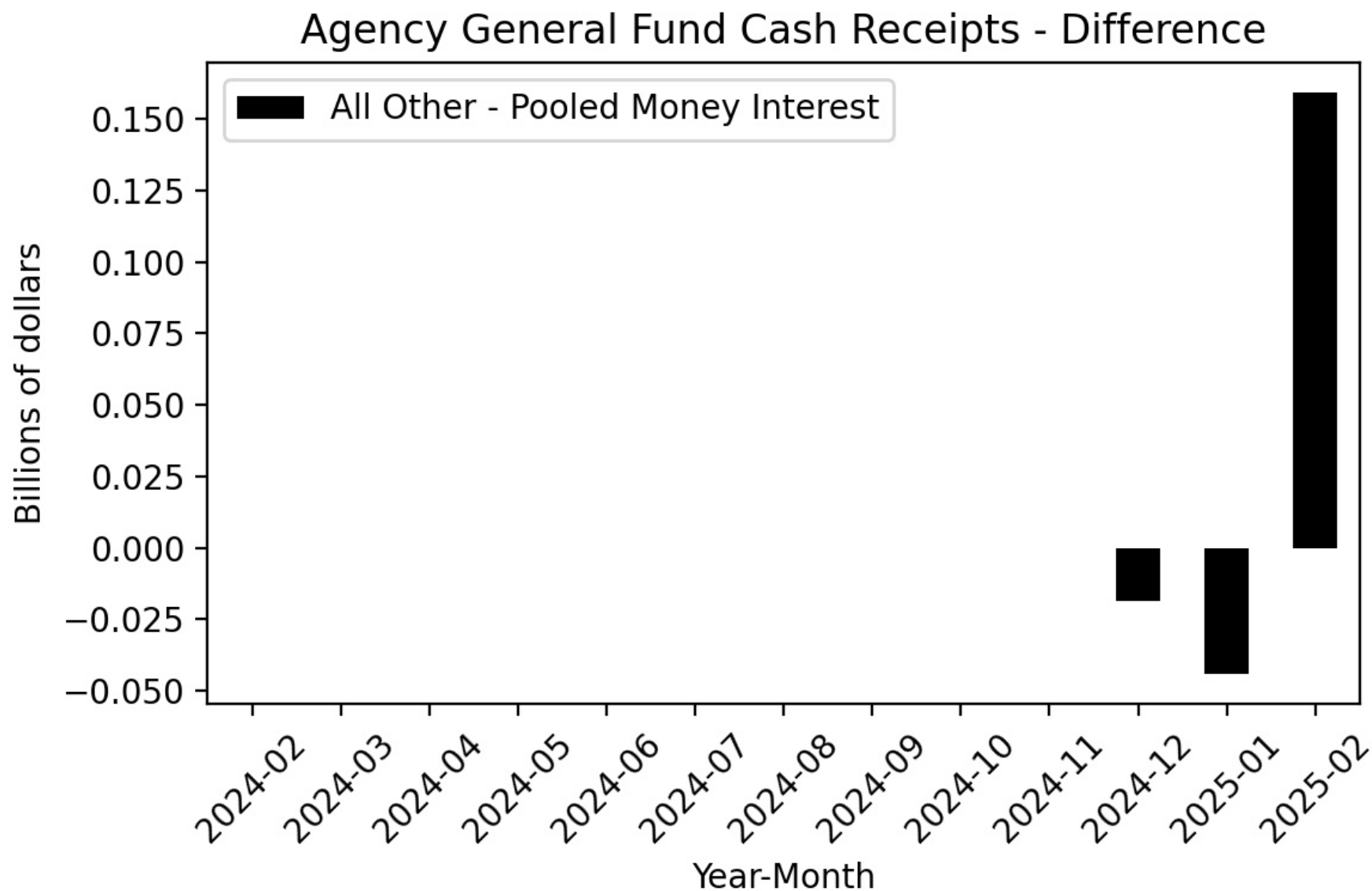


Figure 130

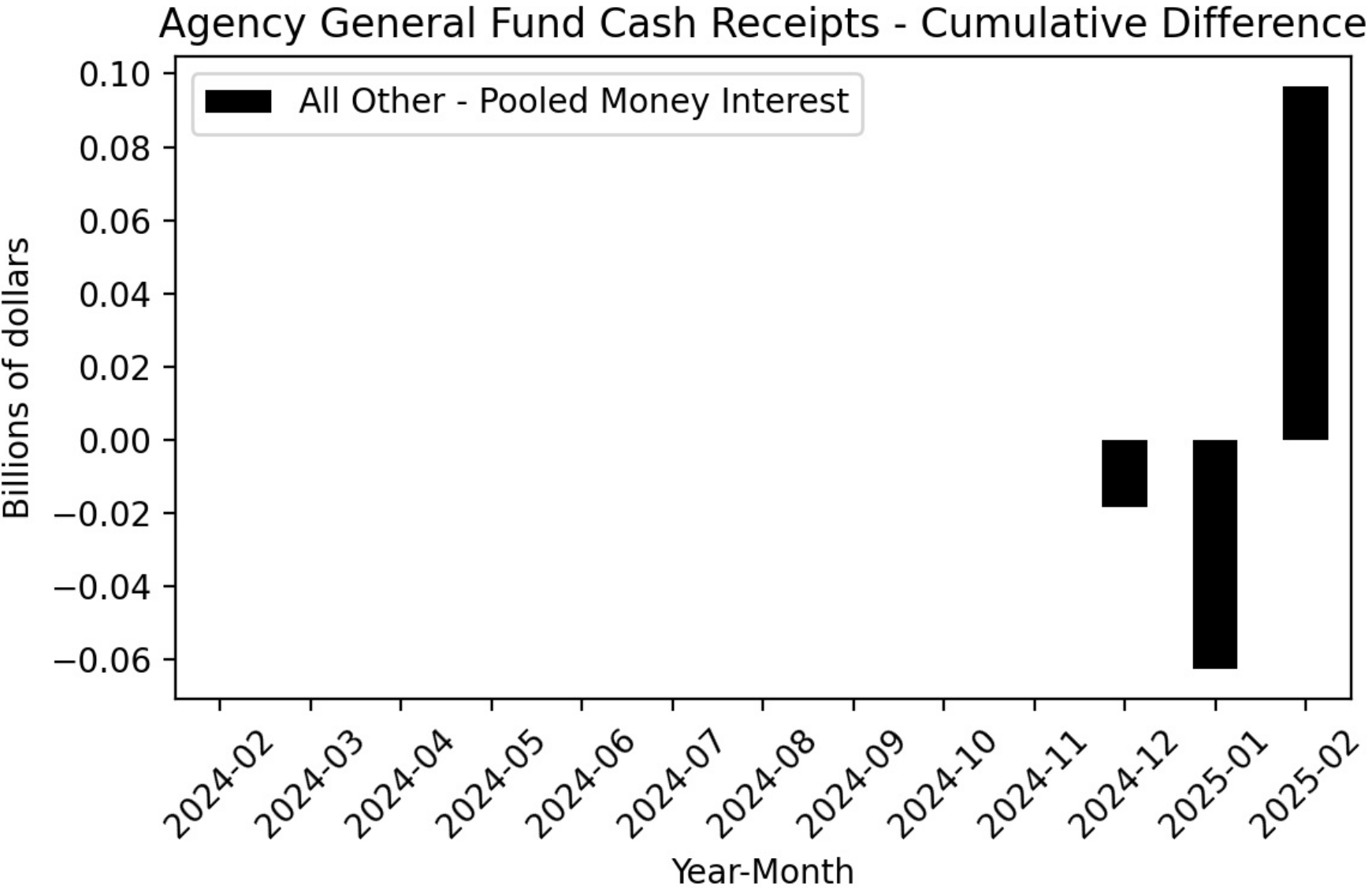


Figure 131

Year-Over-Year Change - Actual and 2024-25 Budget Act Forecast
All Other-Pooled Money Interest

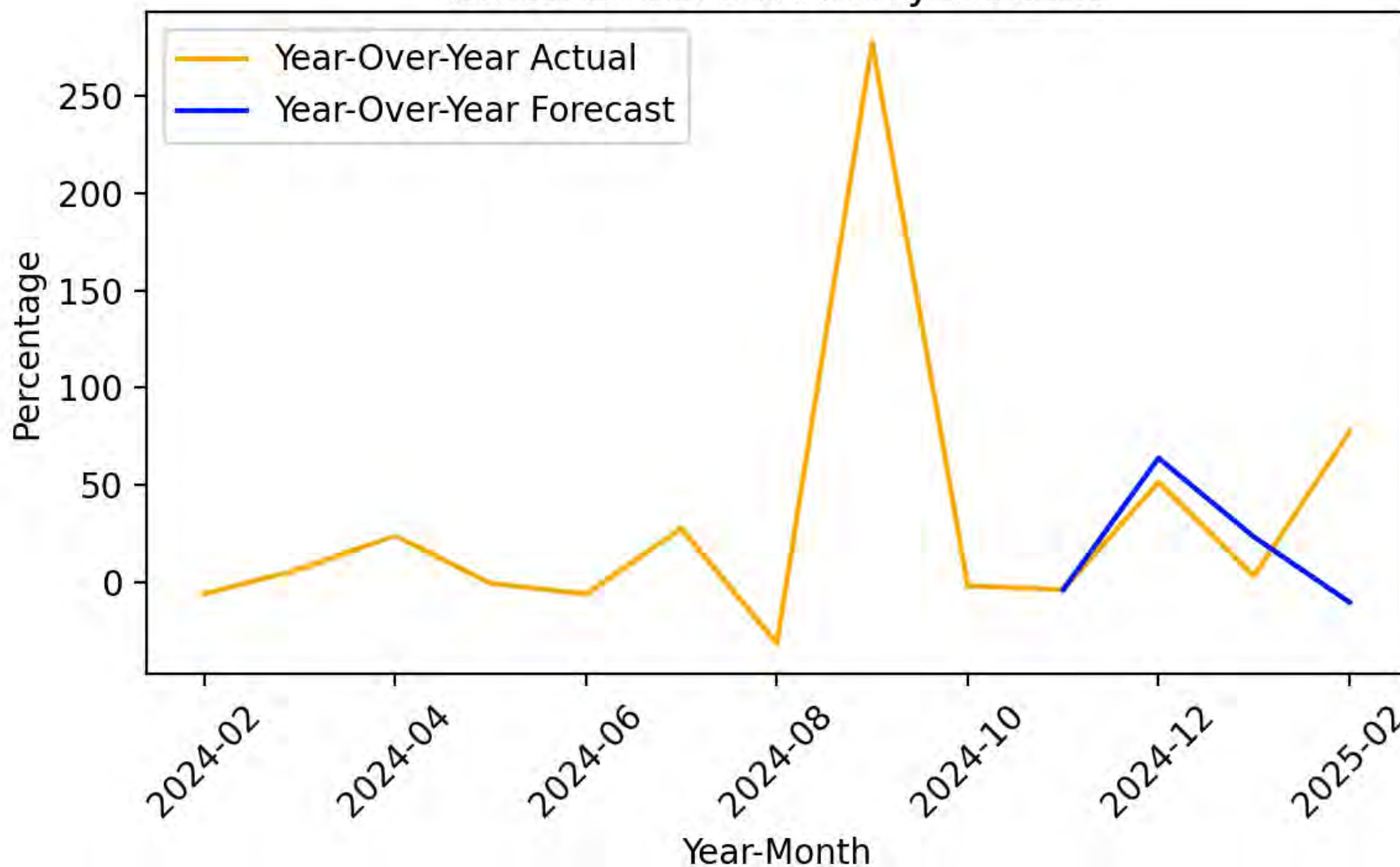


Figure 132

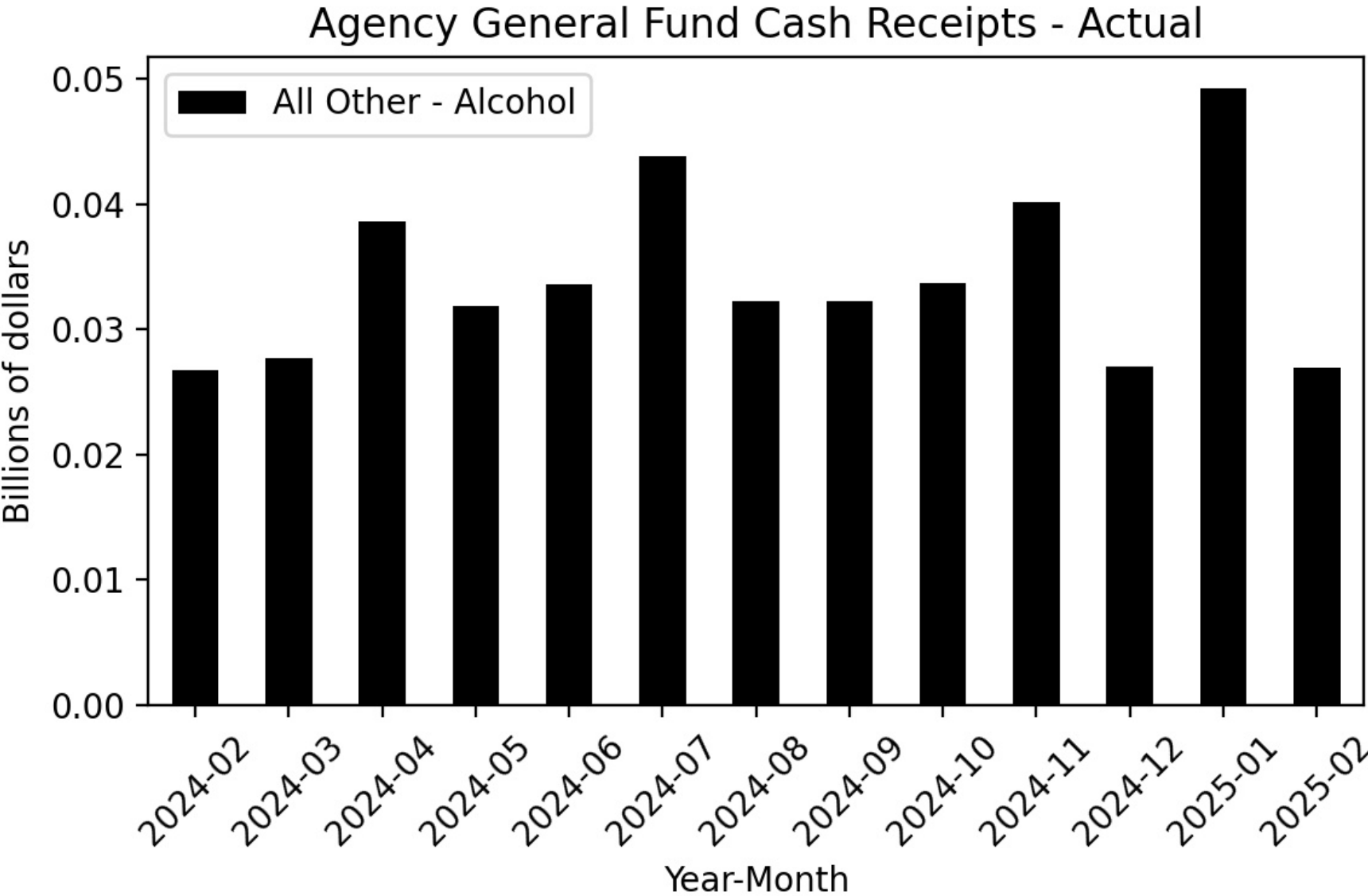


Figure 133

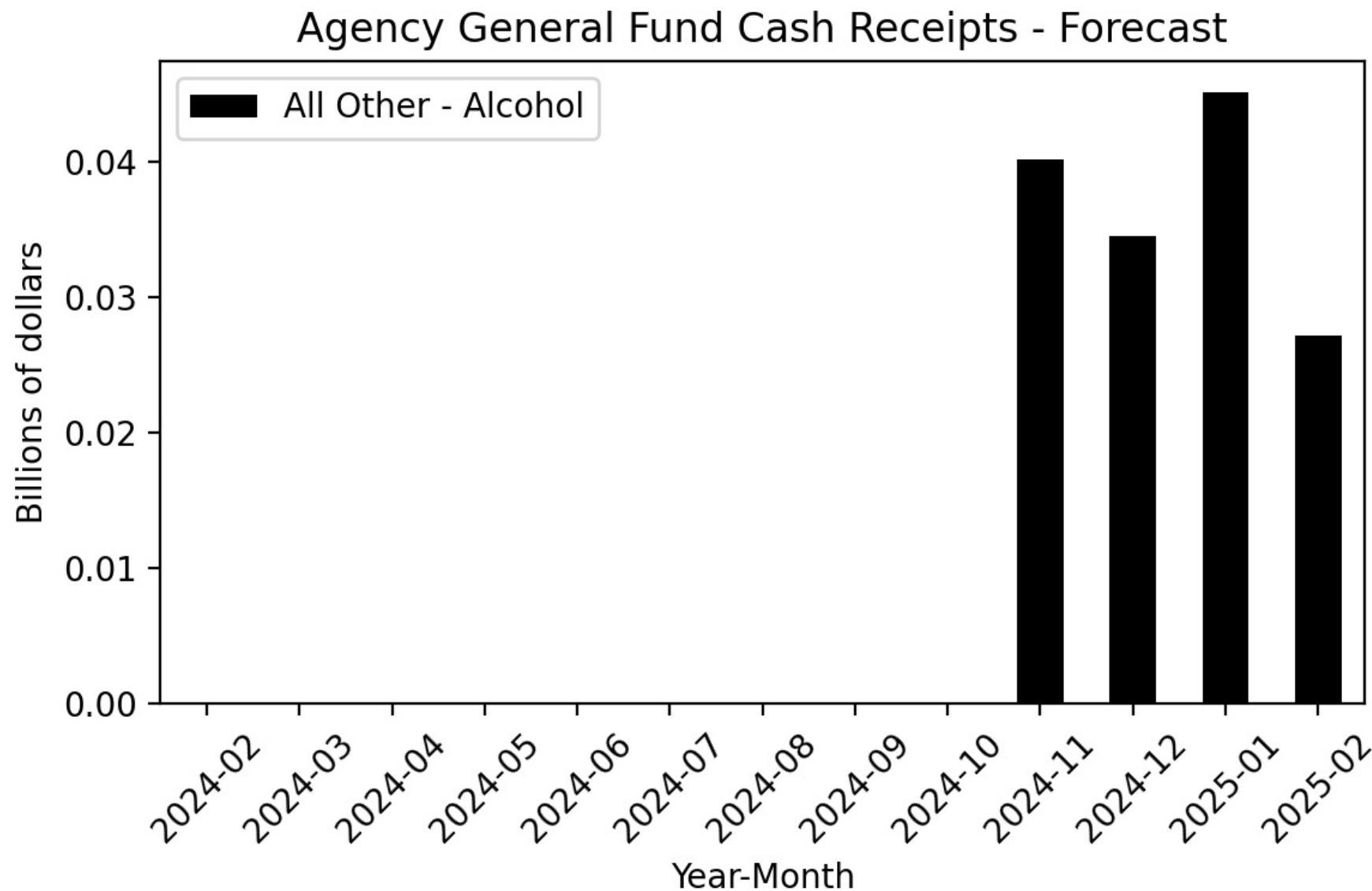


Figure 134

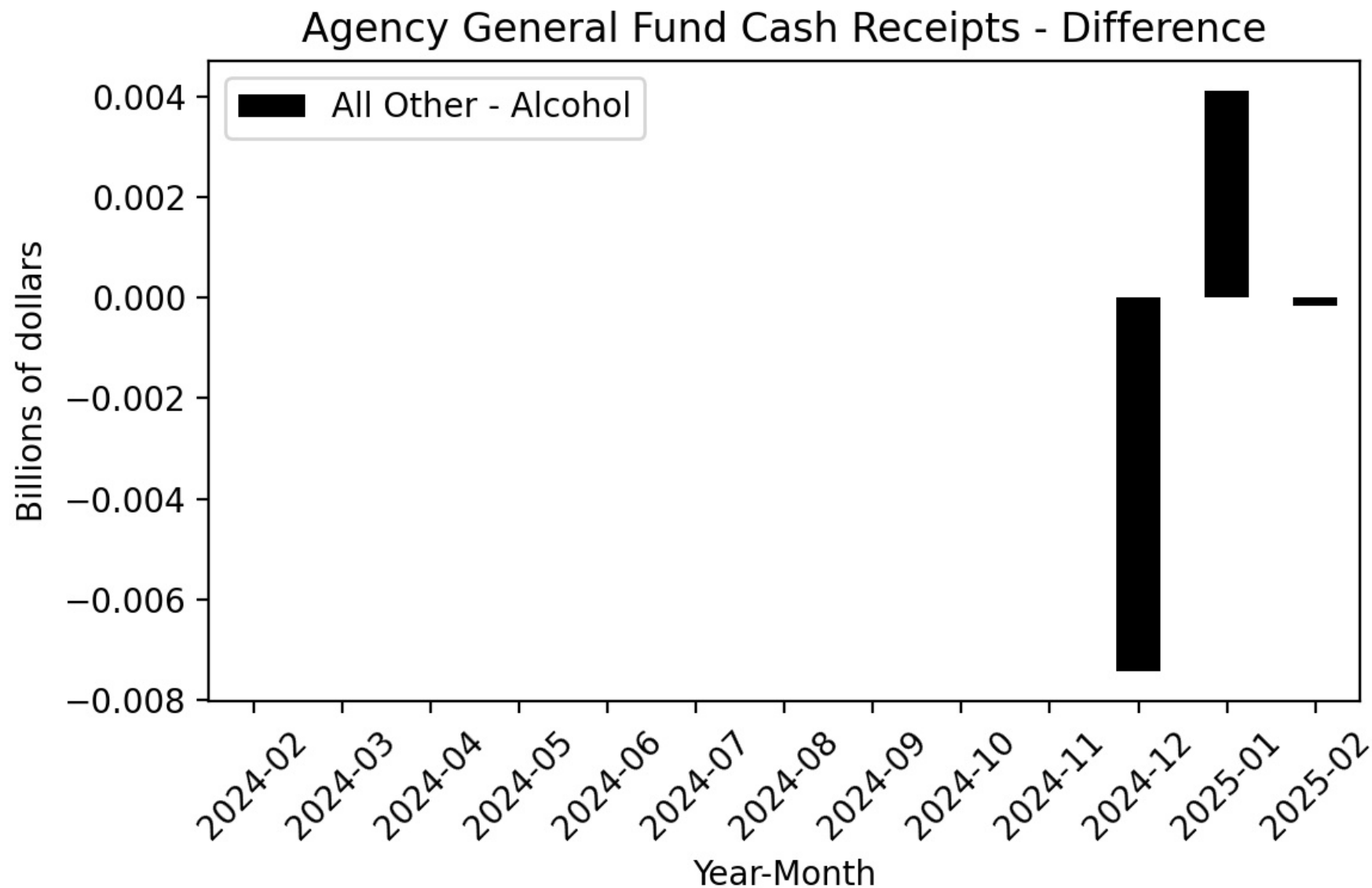


Figure 135

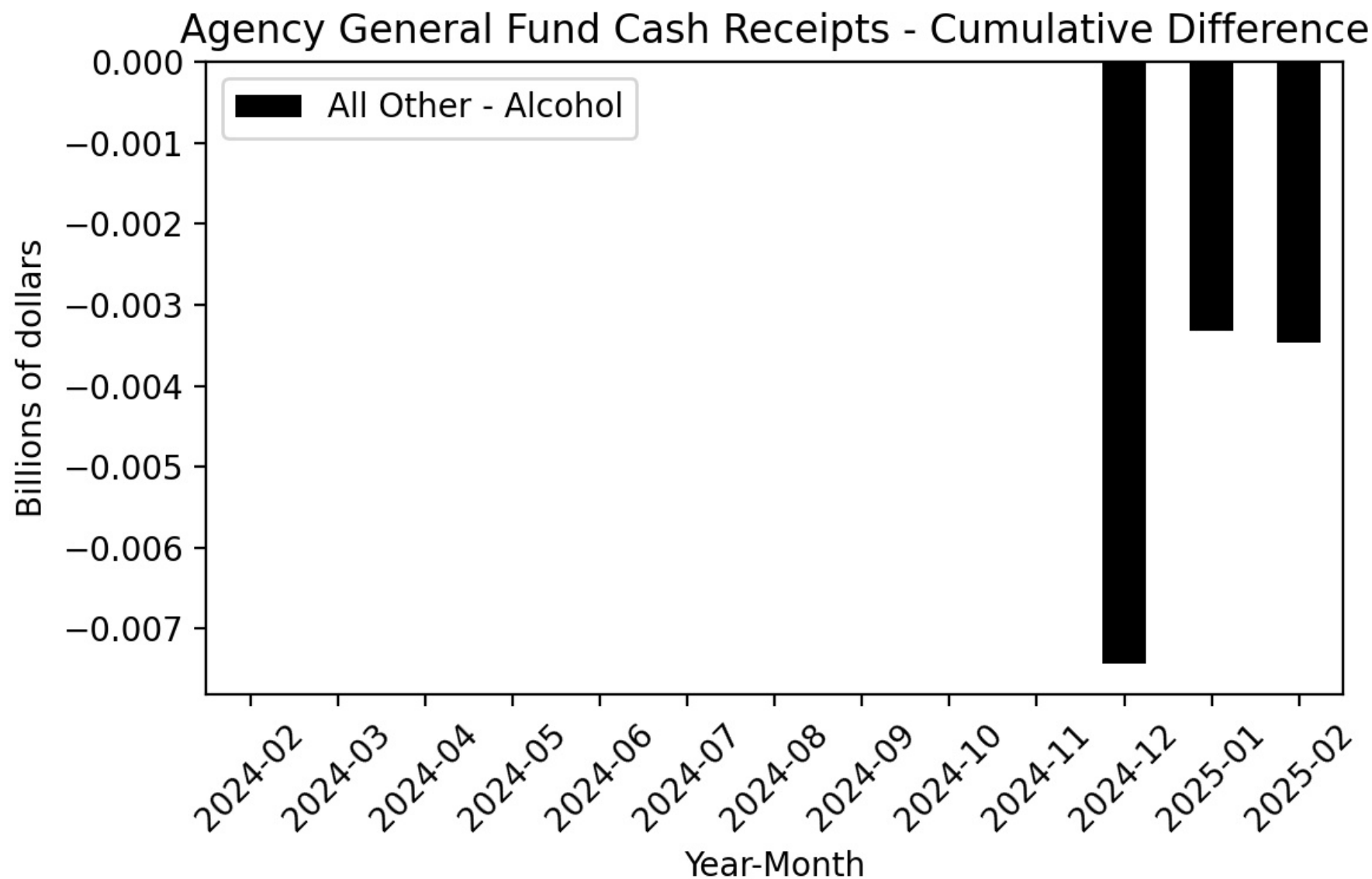


Figure 136

Year-Over-Year Change - Actual and 2024-25 Budget Act Forecast
All Other-Alcohol

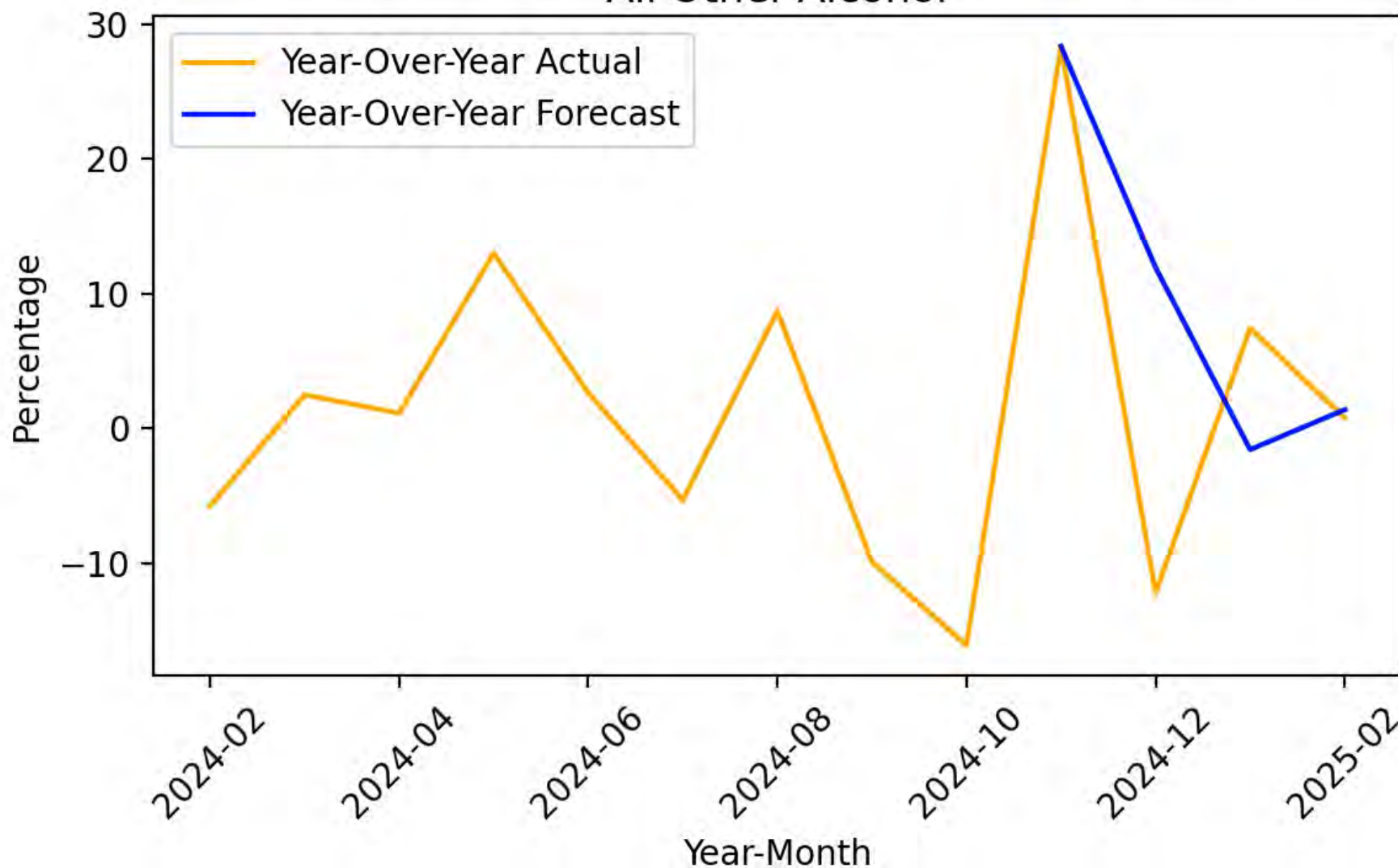


Figure 137

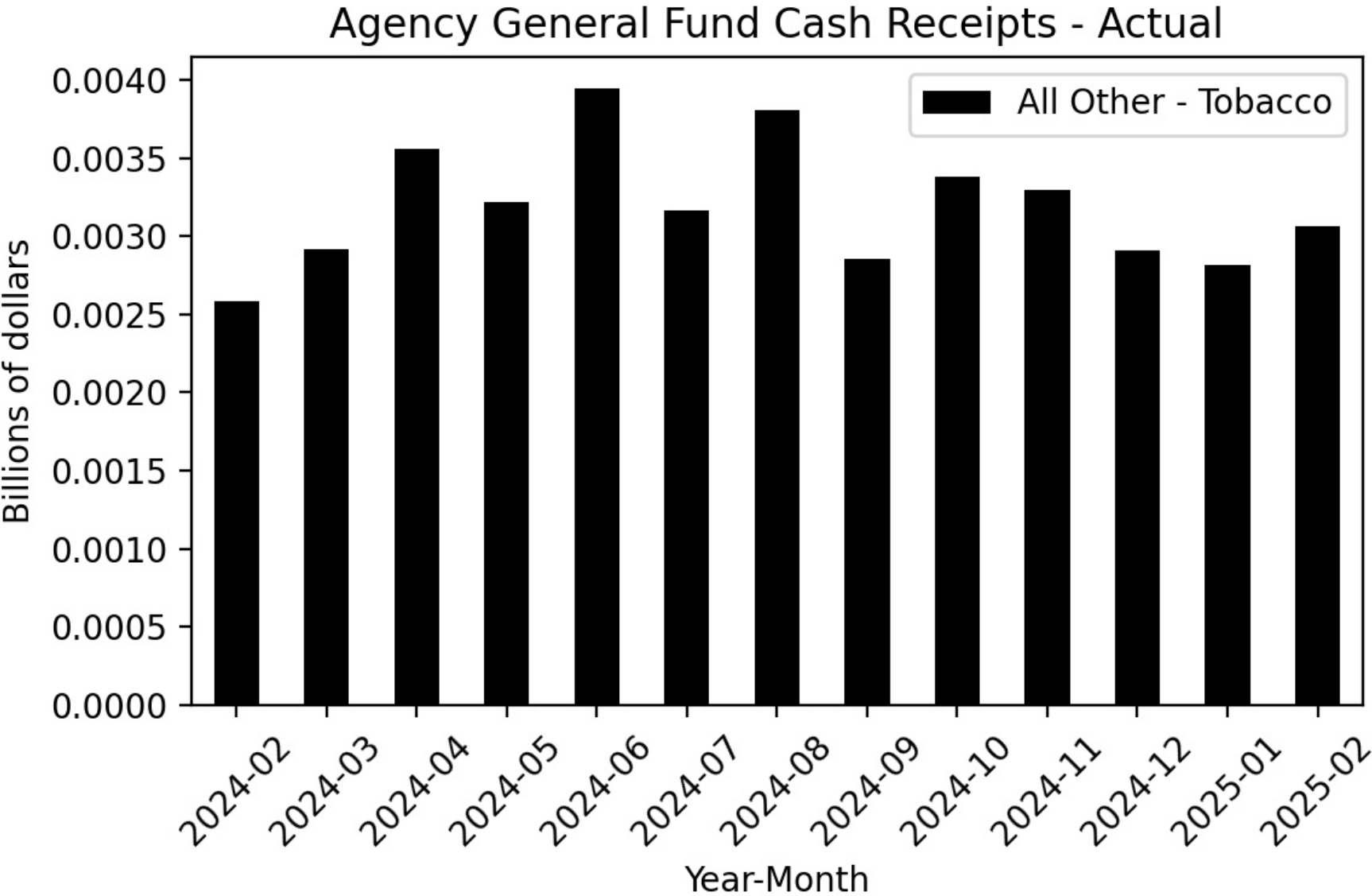


Figure 138

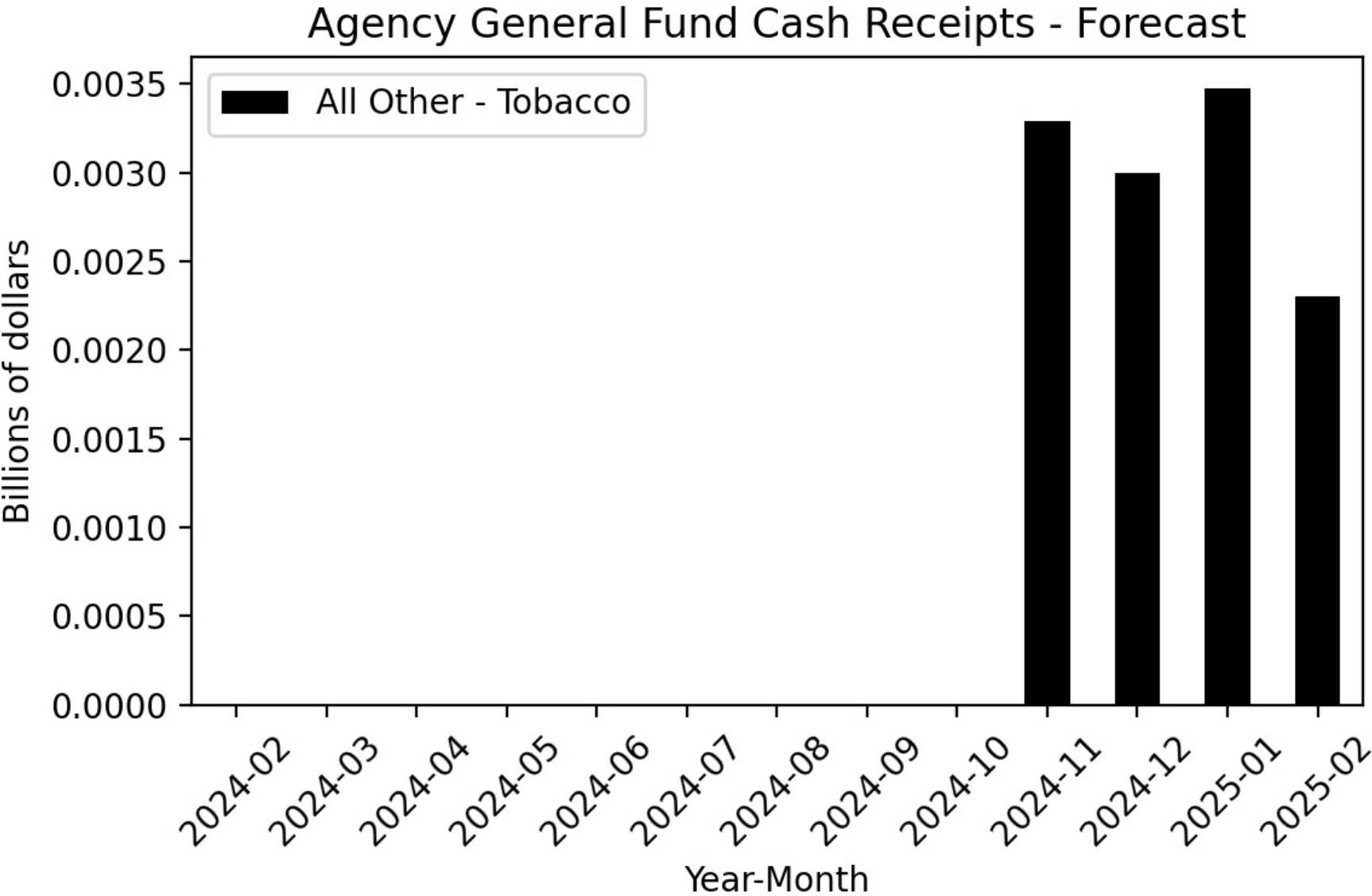


Figure 139

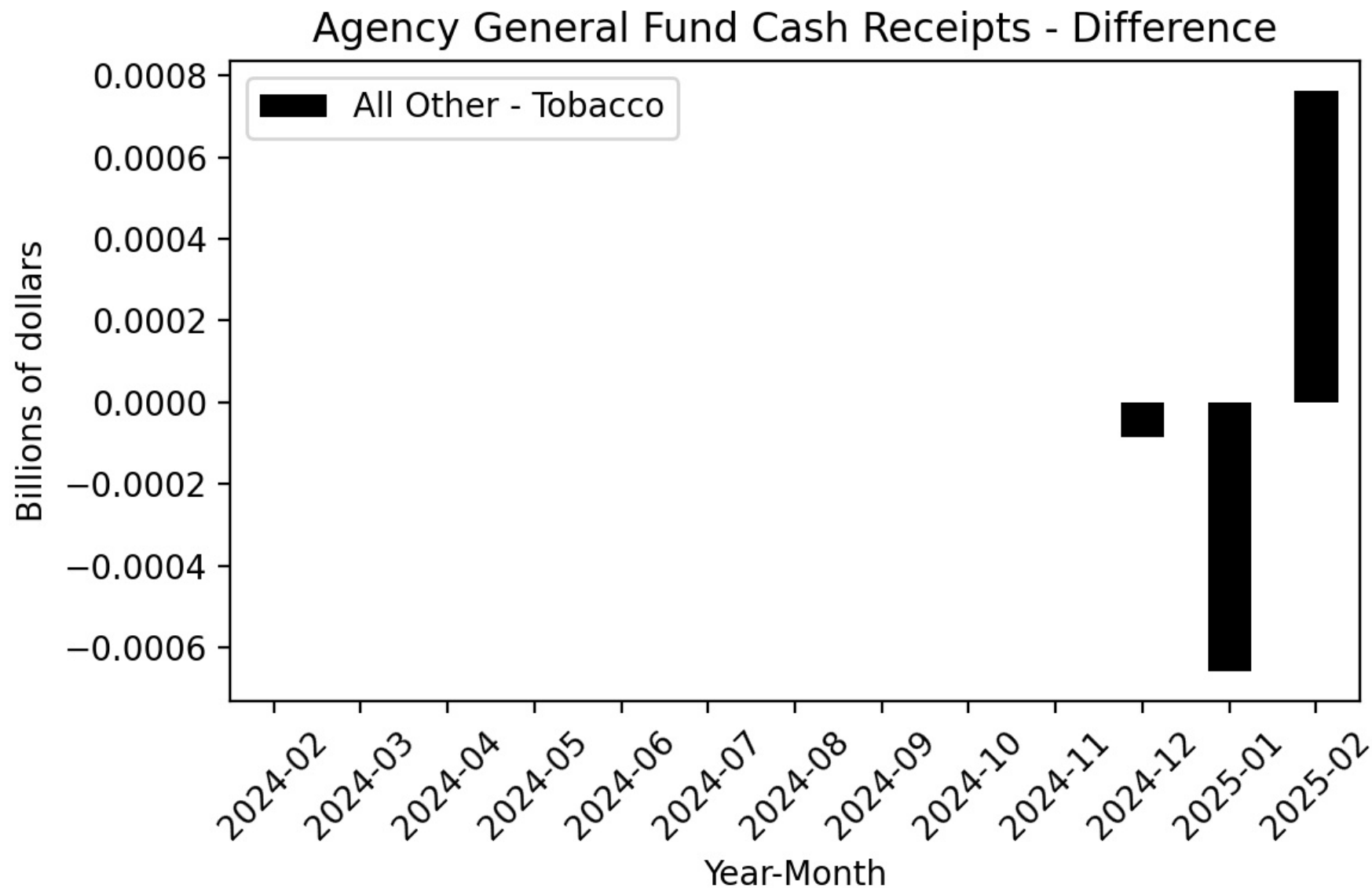


Figure 140

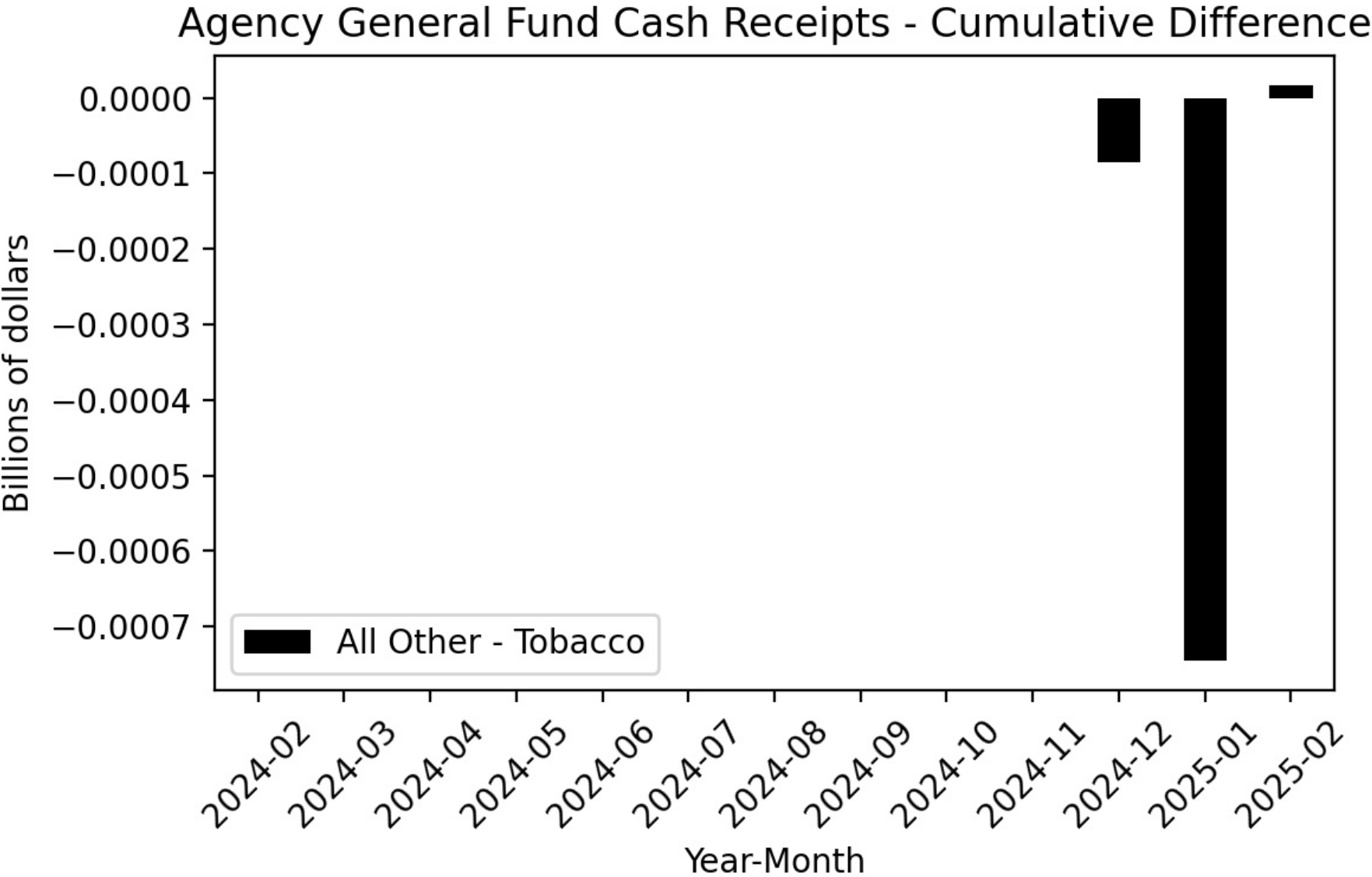


Figure 141

Year-Over-Year Change - Actual and 2024-25 Budget Act Forecast
All Other-Tobacco

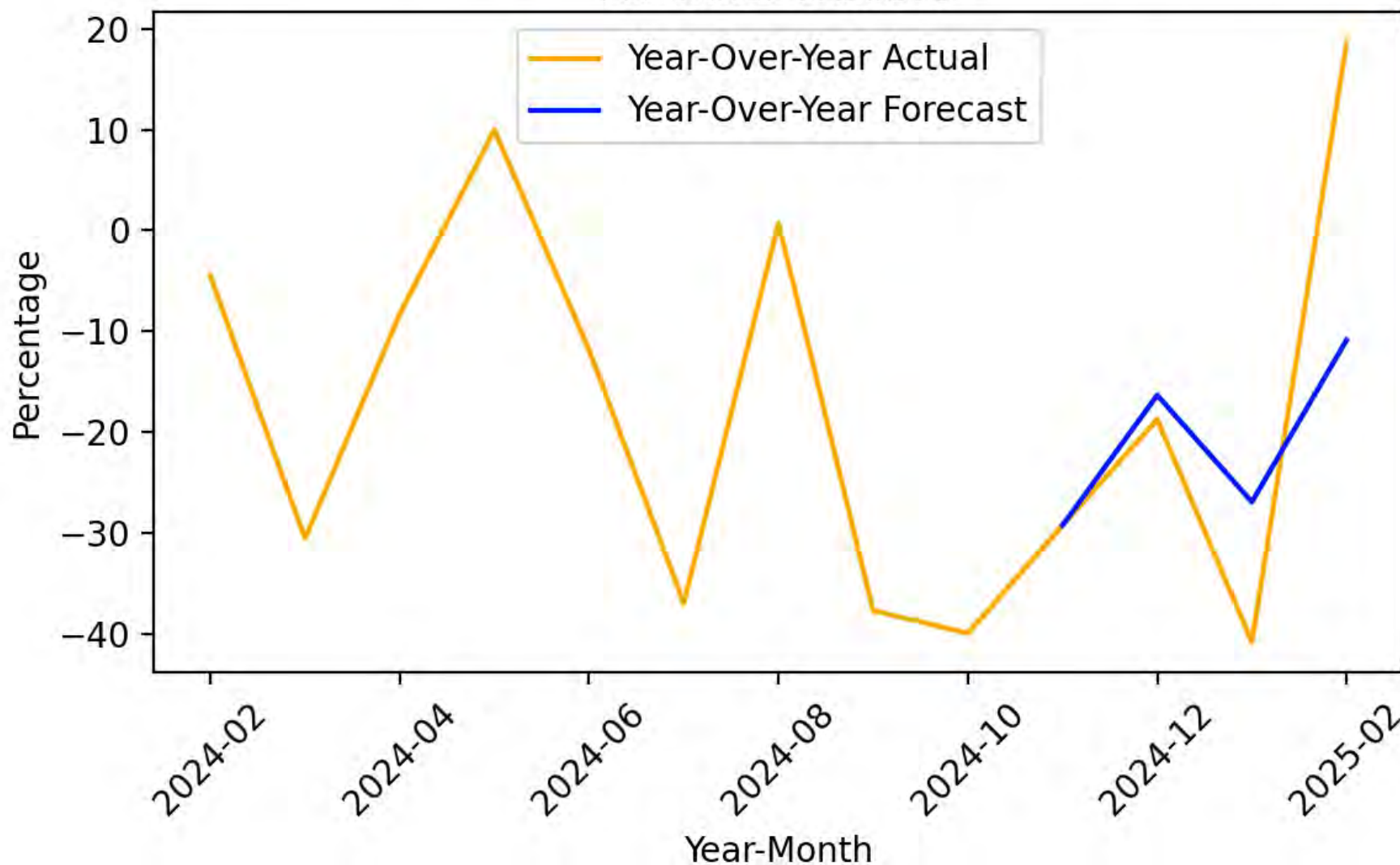


Figure 142

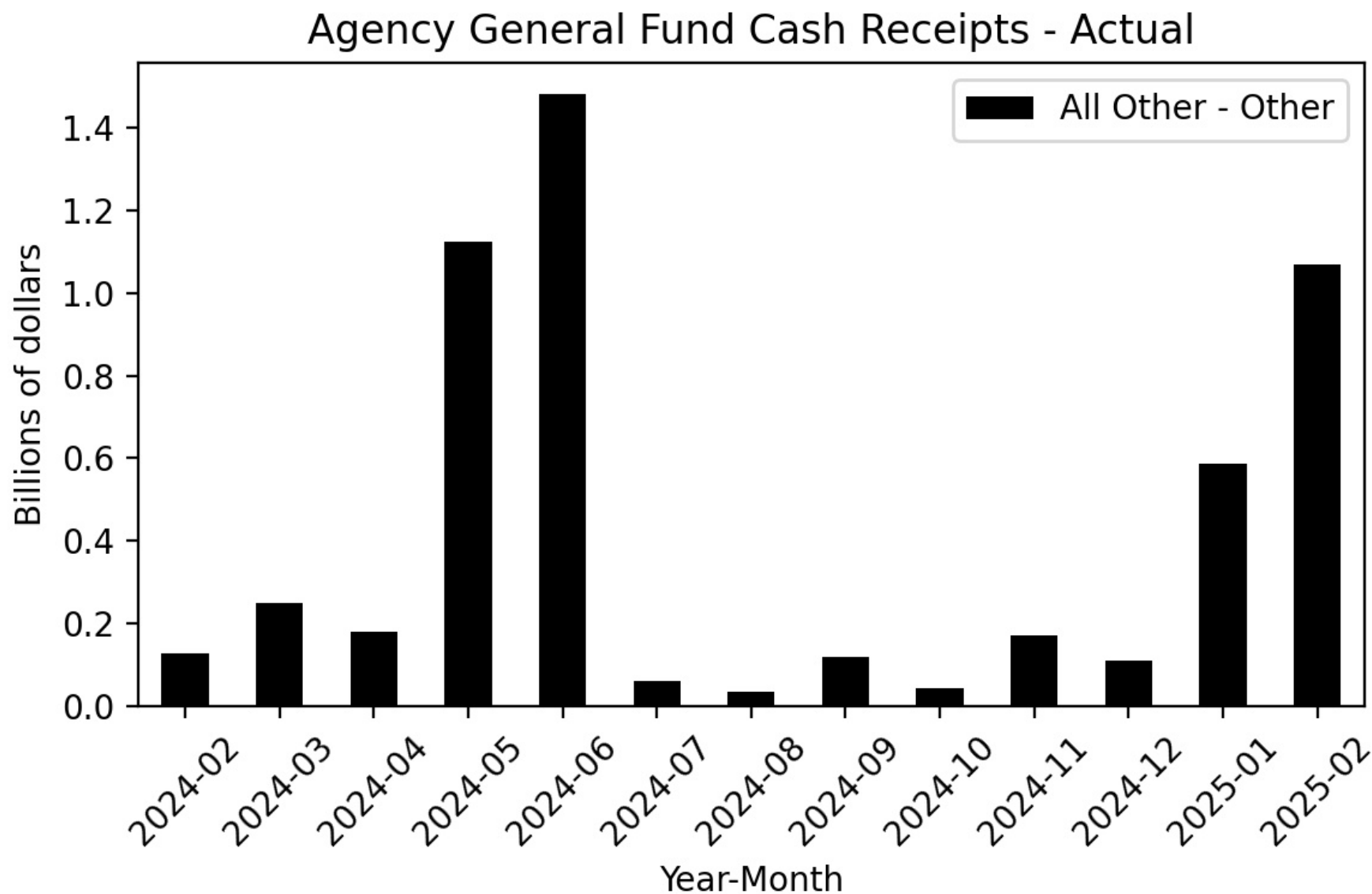


Figure 143

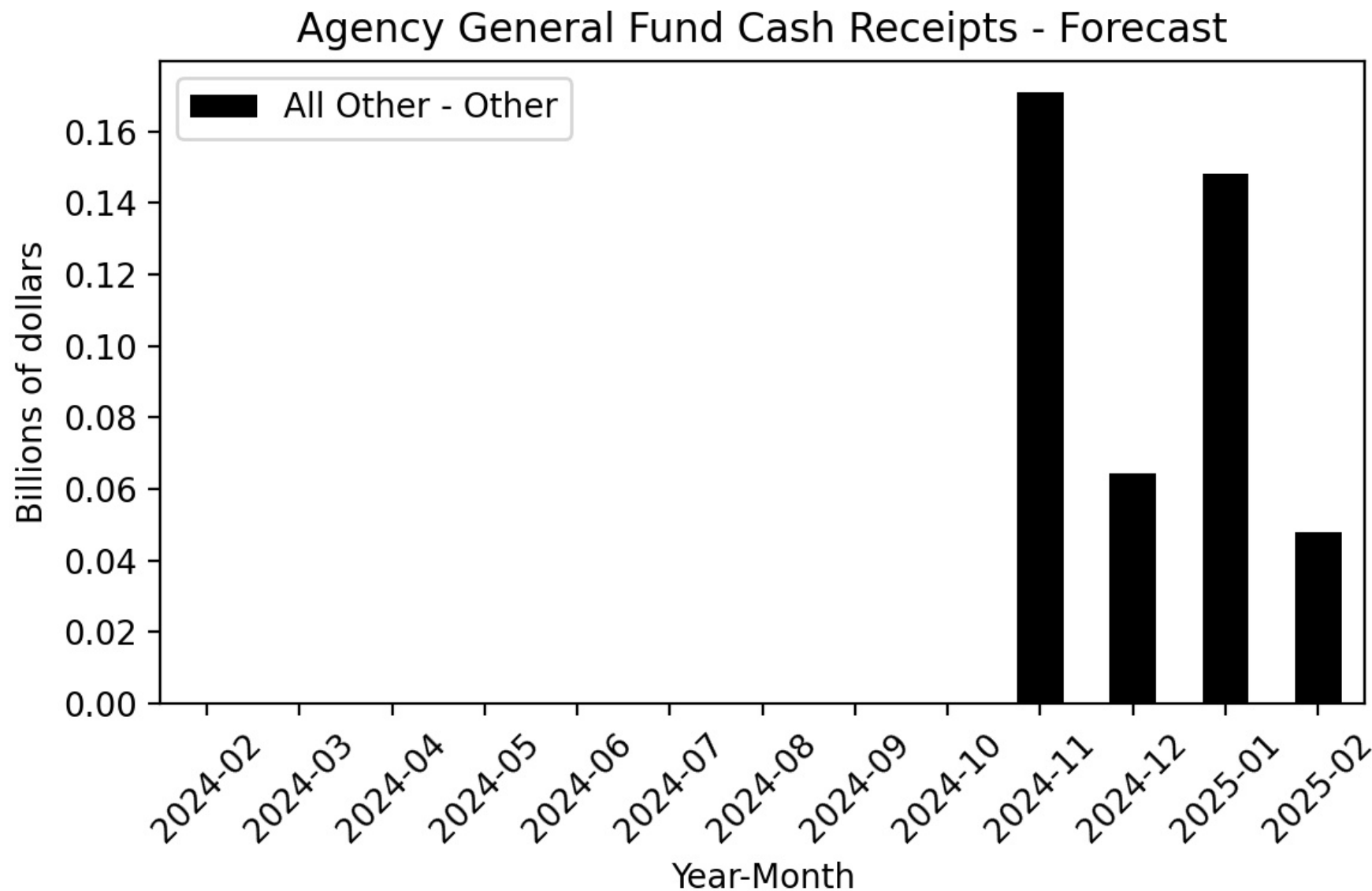


Figure 144

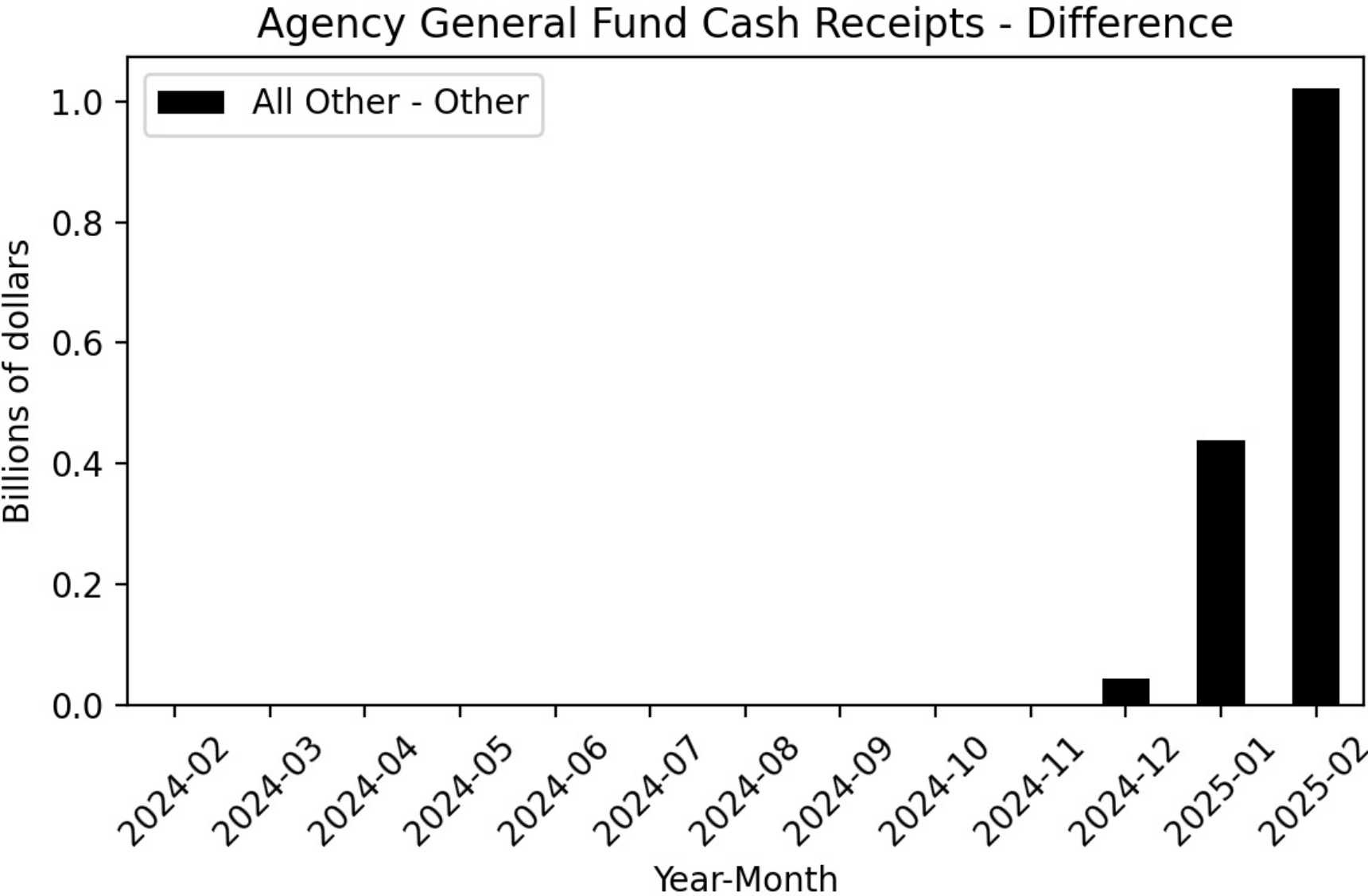


Figure 145

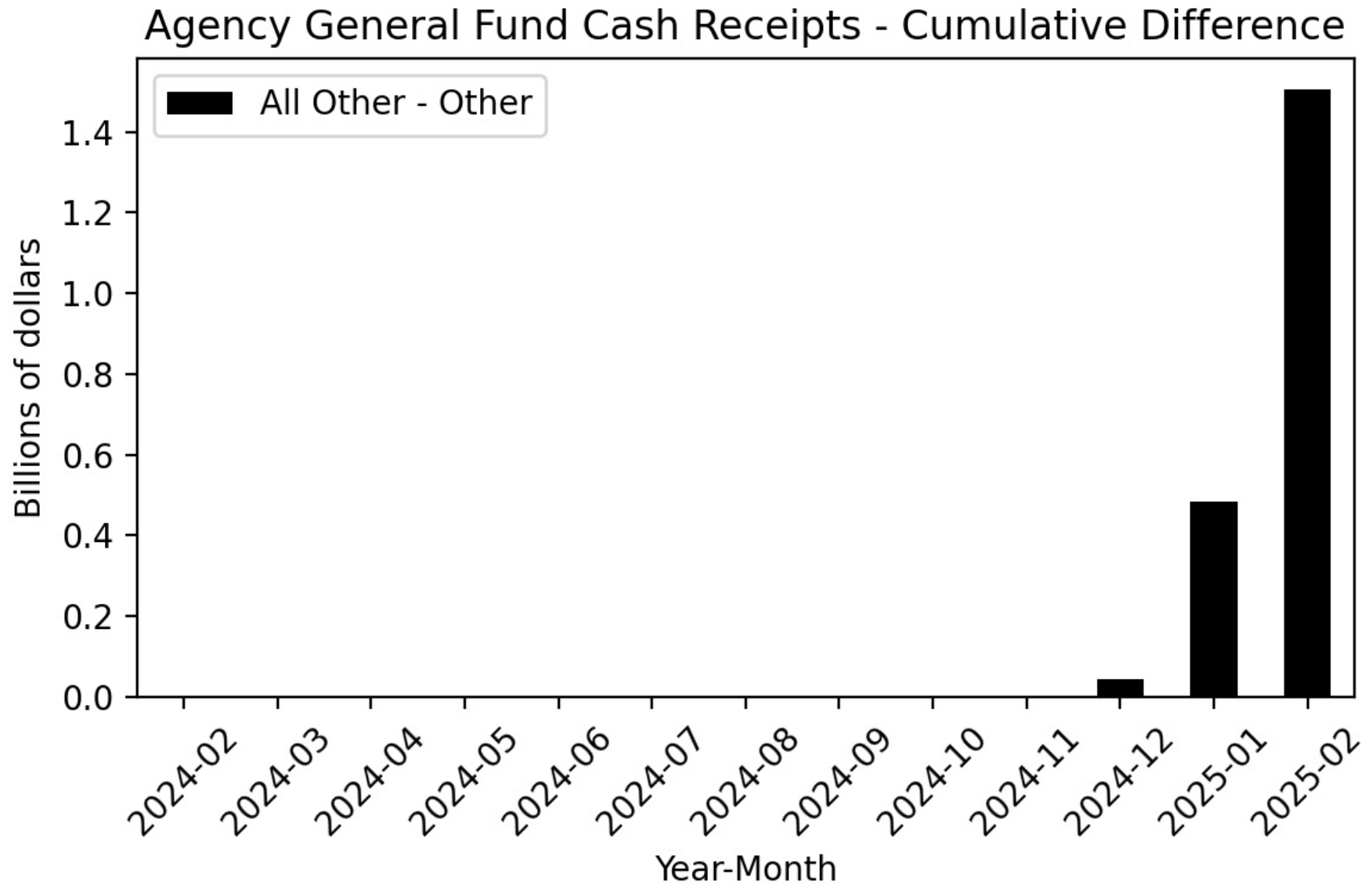


Figure 146

Year-Over-Year Change - Actual and 2024-25 Budget Act Forecast
All Other-Other

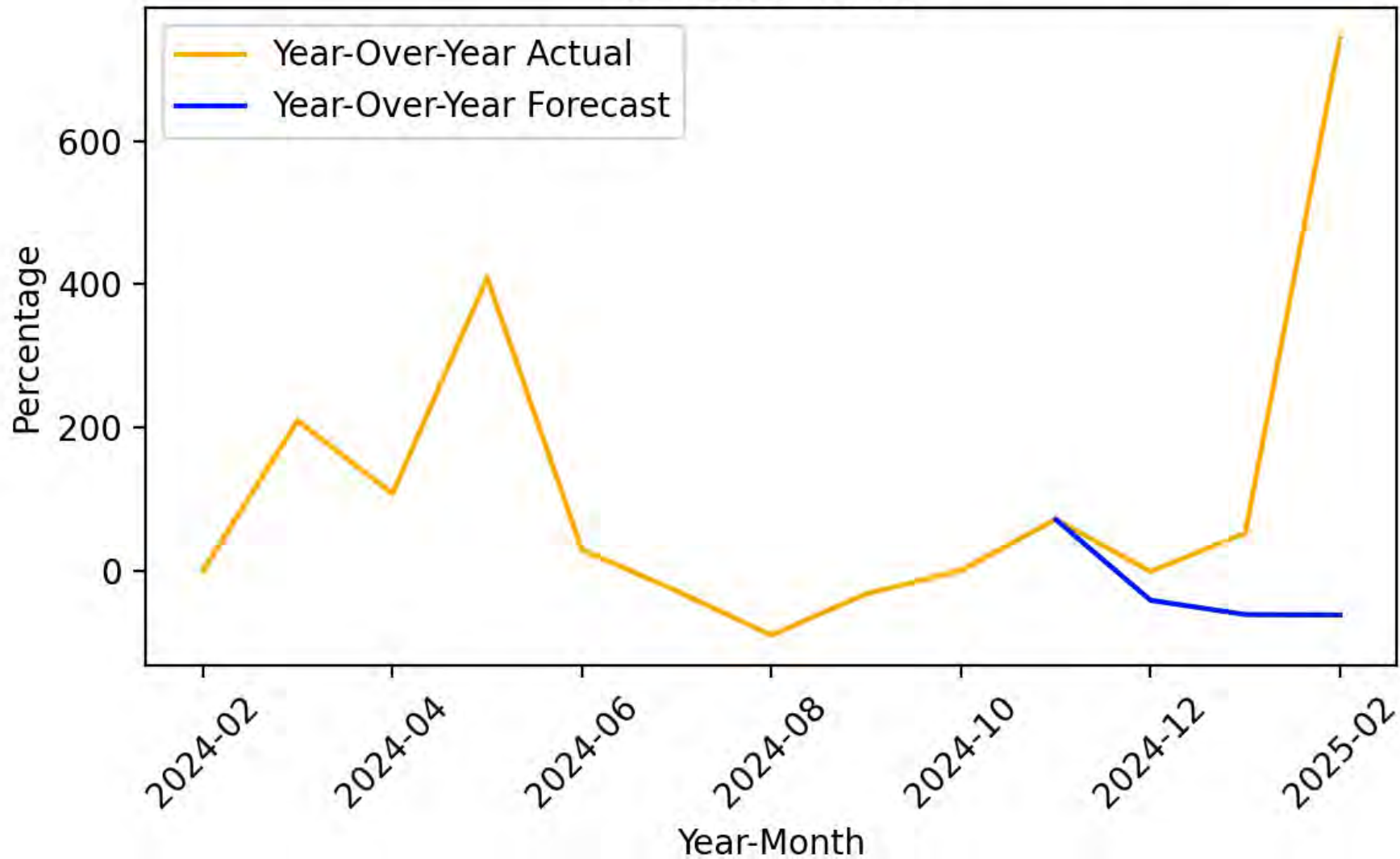


Figure 147

**Personal Income Tax - Historical Agency General Fund Revenues
by Sub-Category (Calendar Year)**

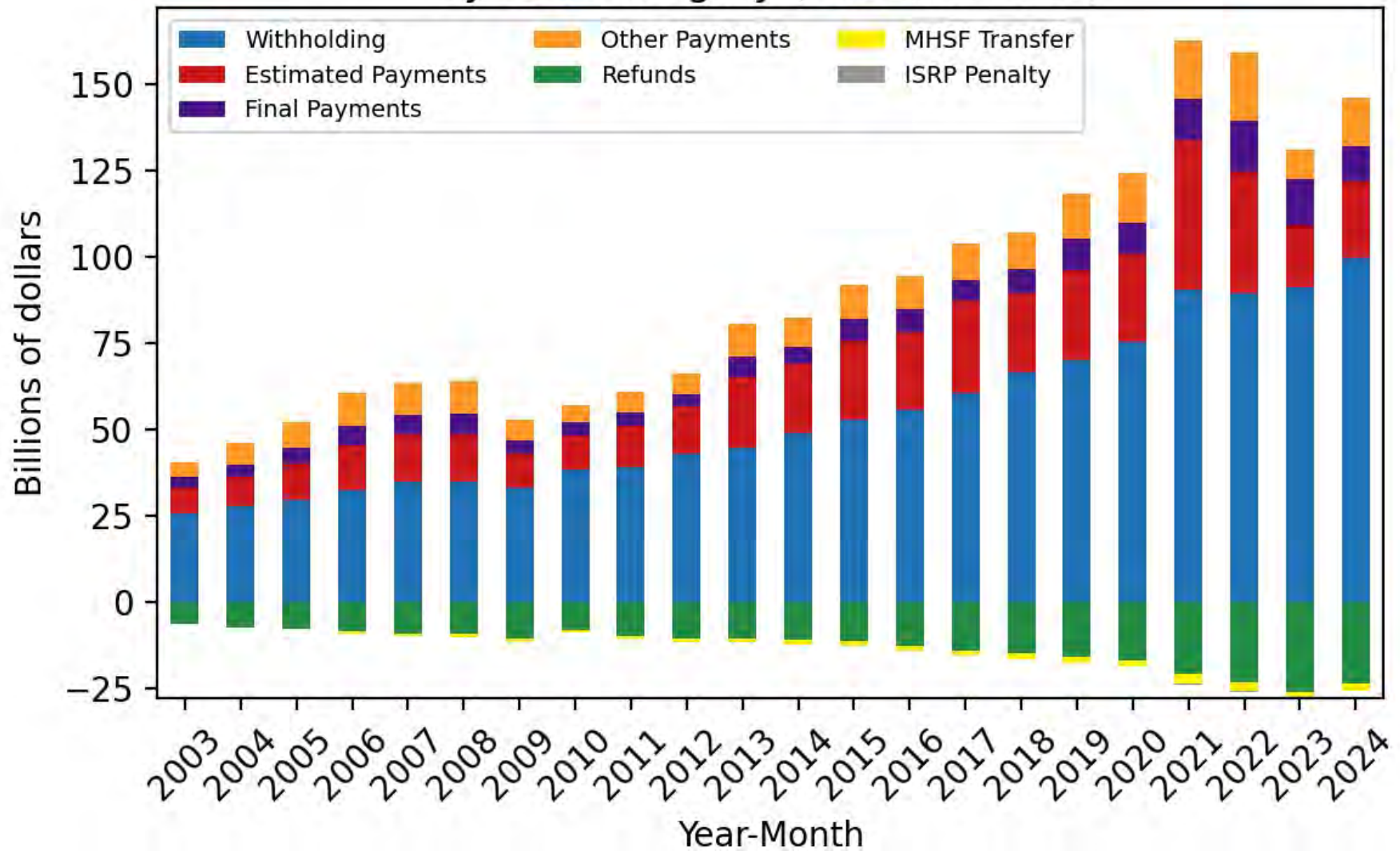


Figure 148

**Personal Income Tax - Historical Agency General Fund Revenues
by Sub-Category (Fiscal Year)**

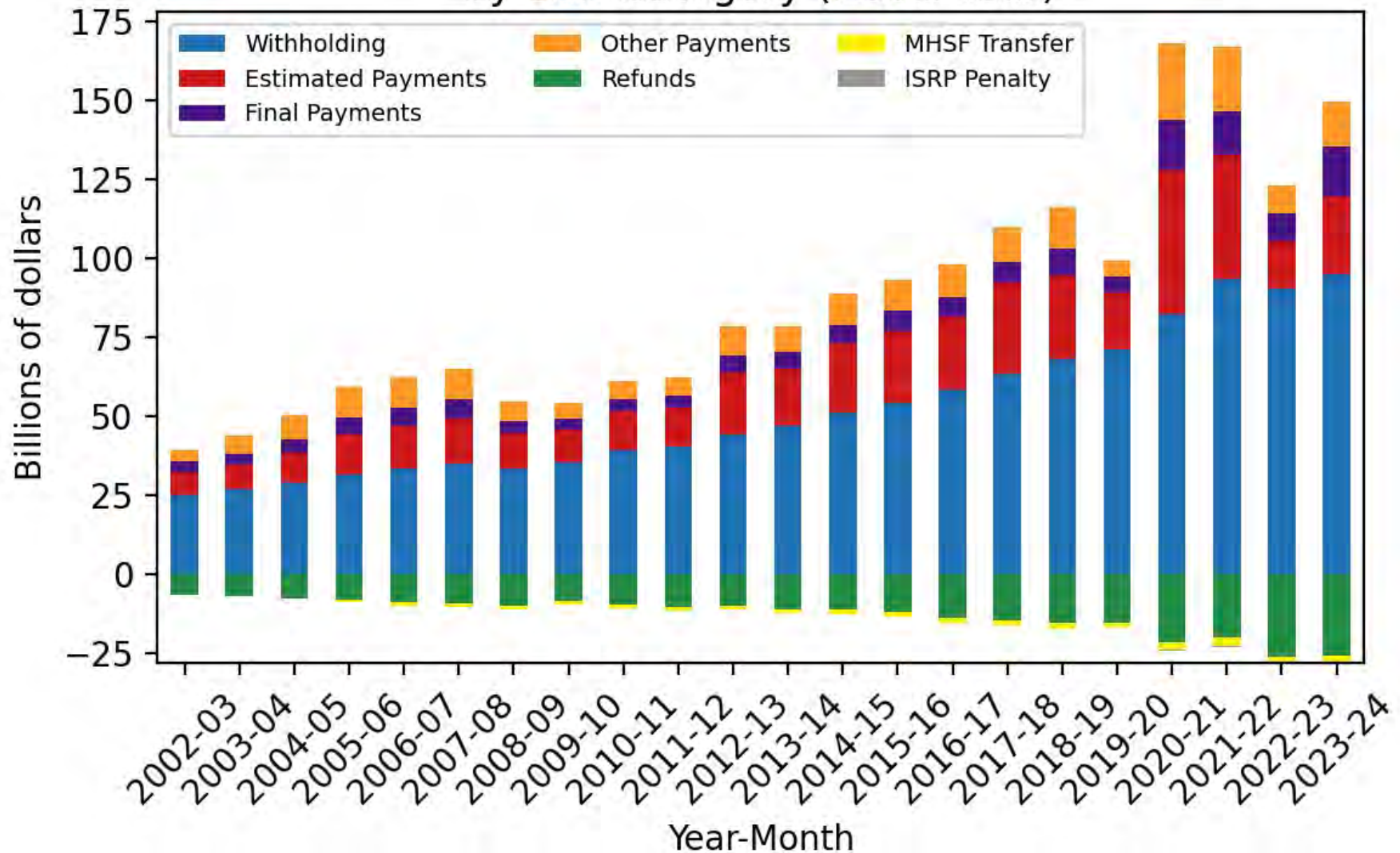


Figure 149

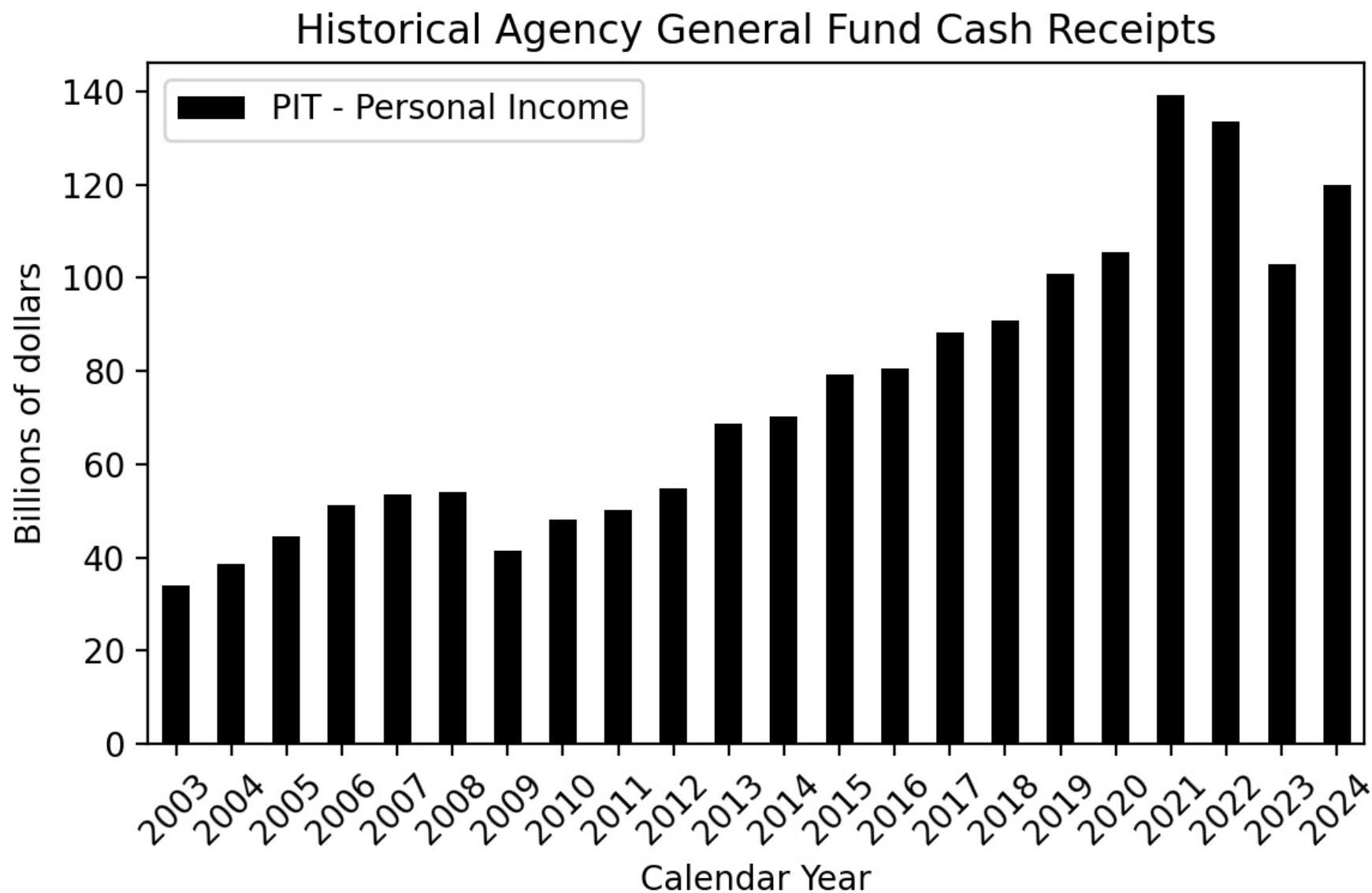


Figure 150

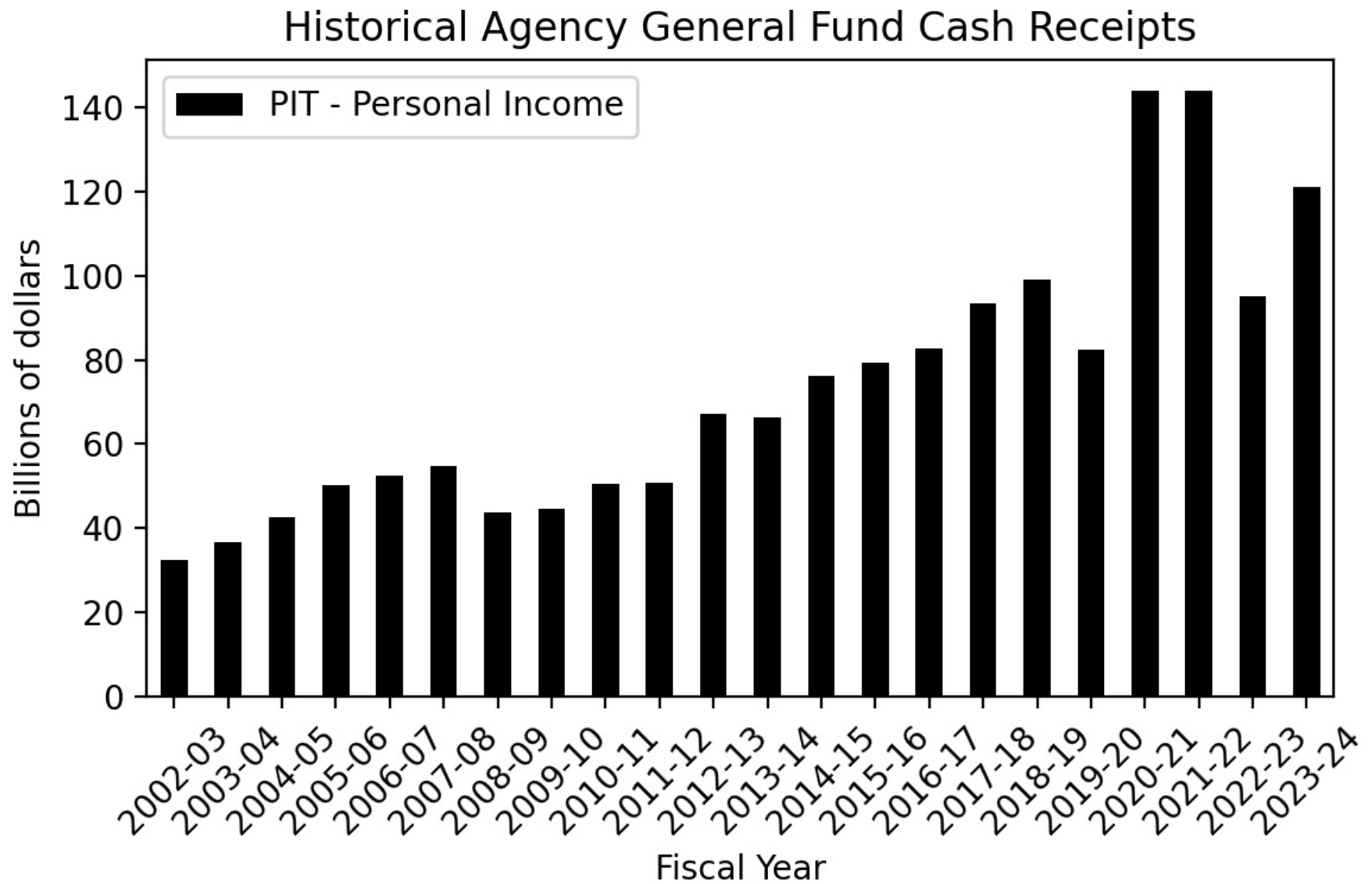


Figure 151

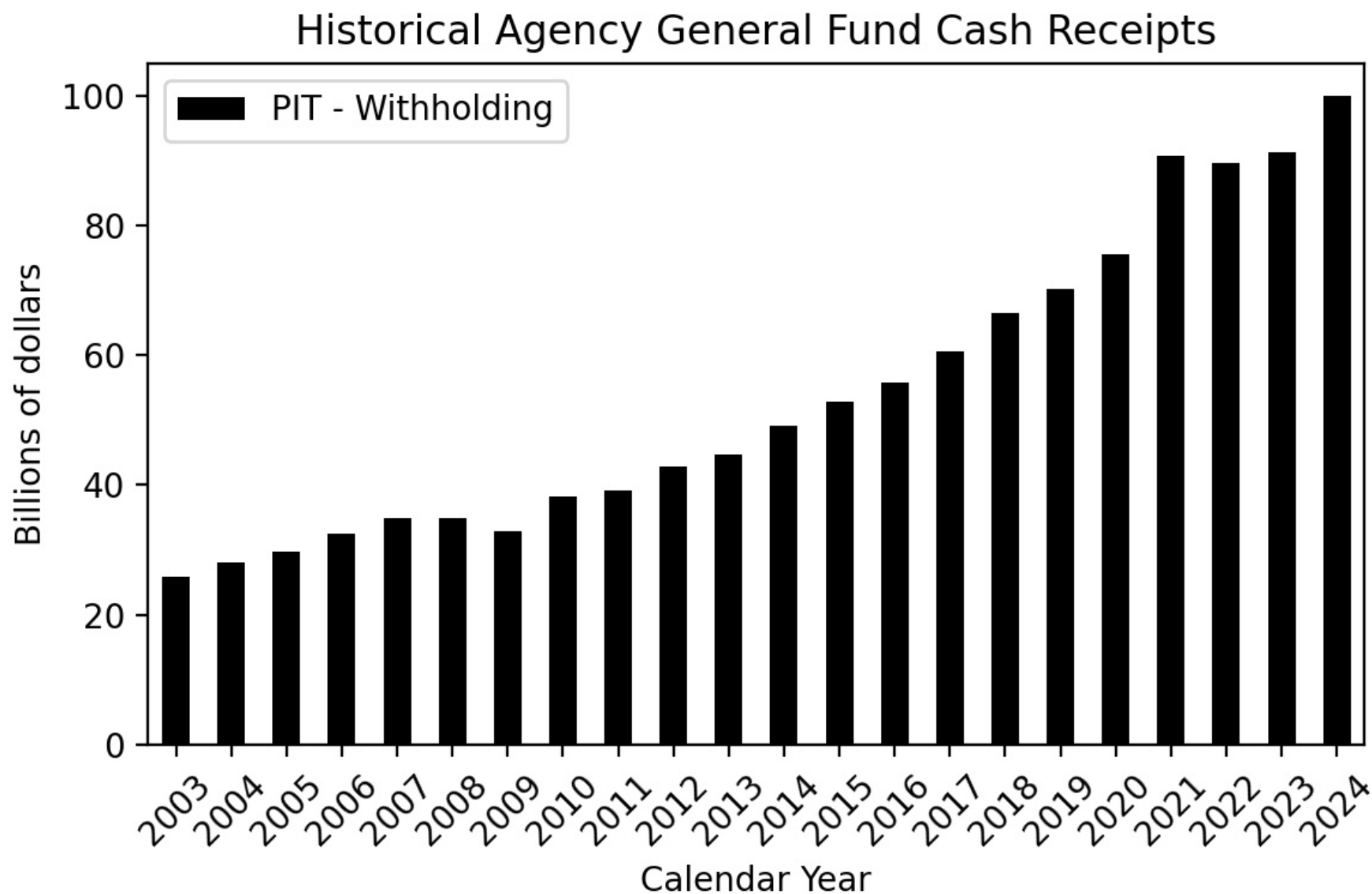


Figure 152

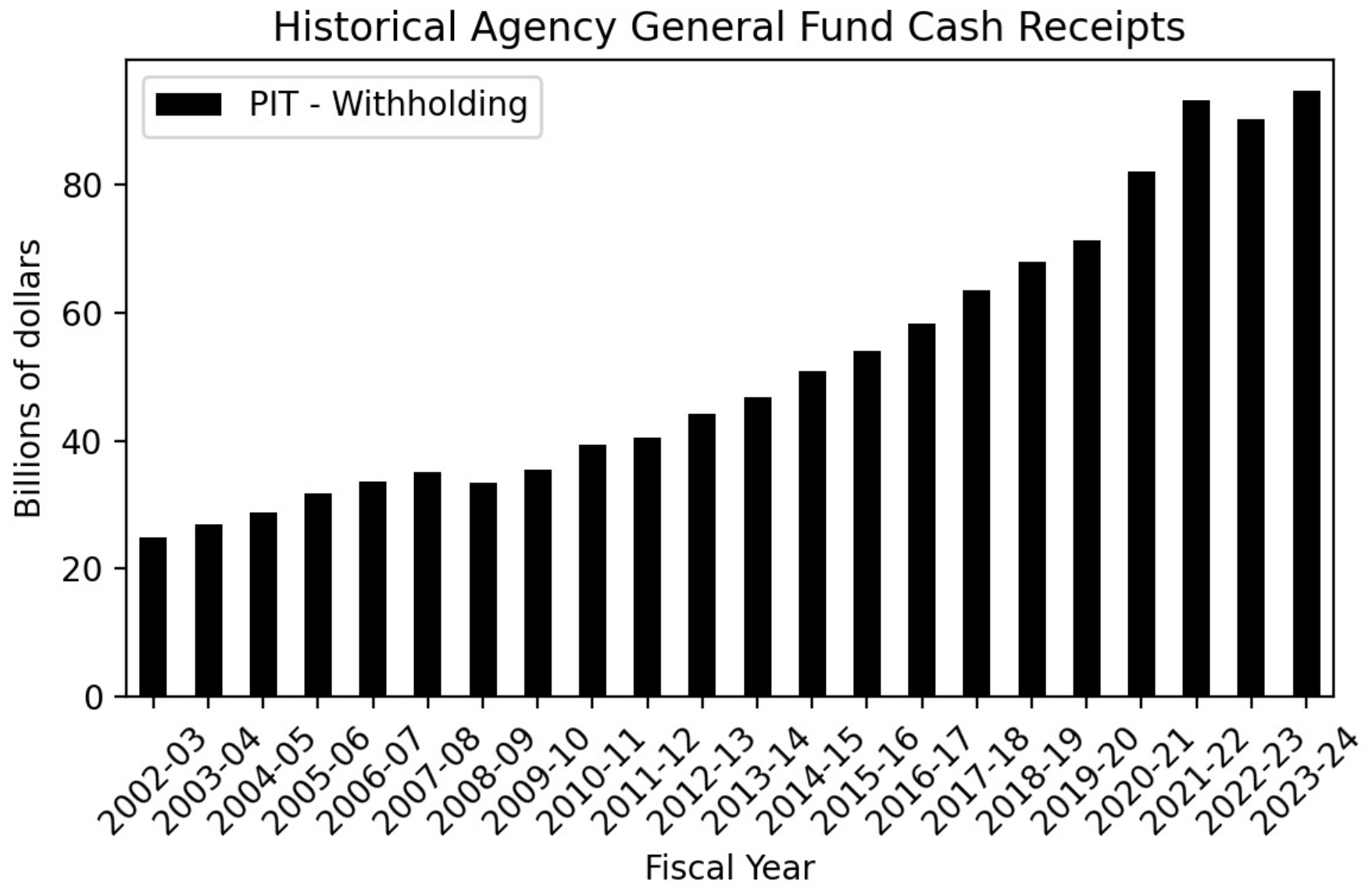


Figure 153

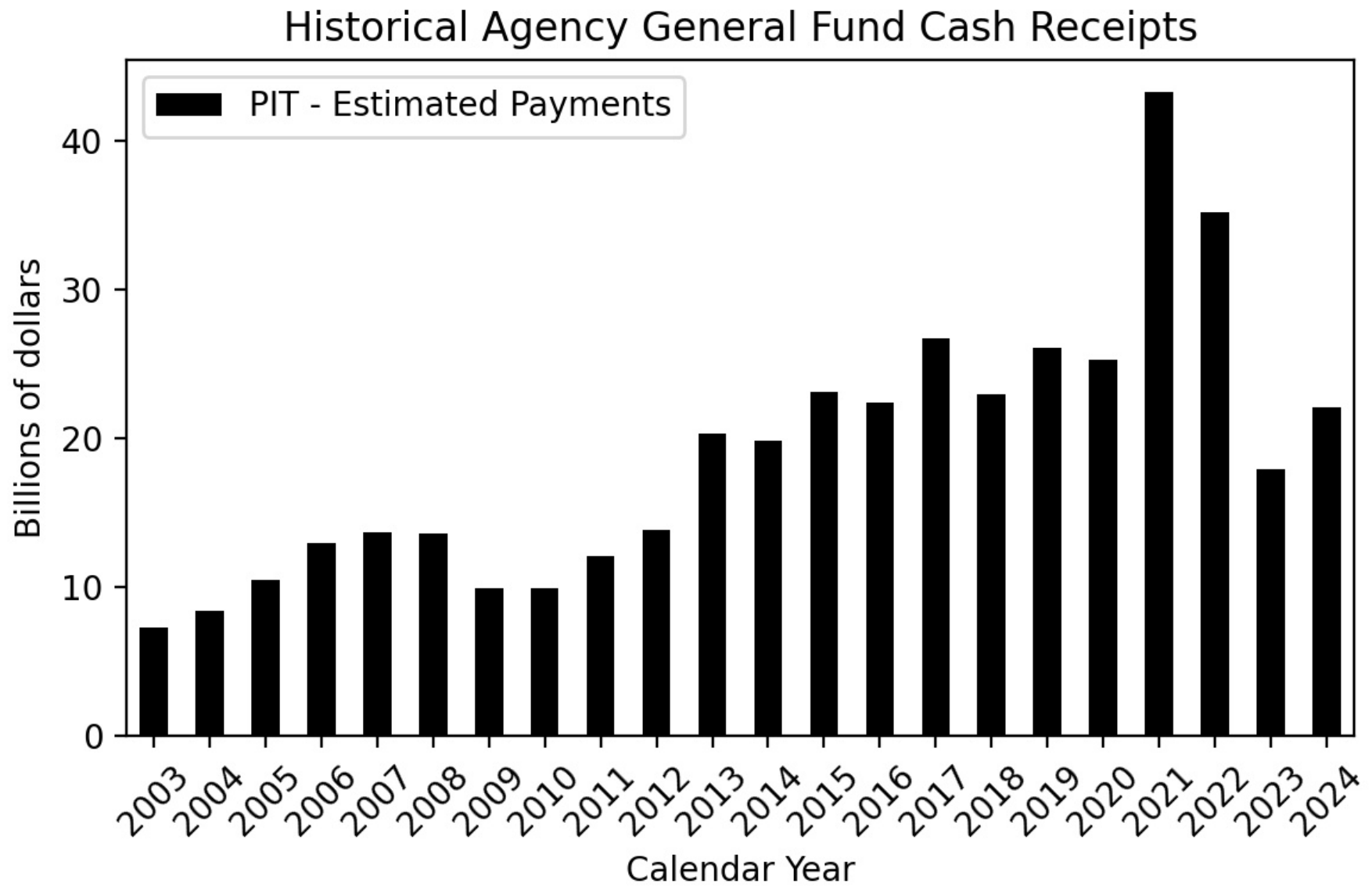


Figure 154

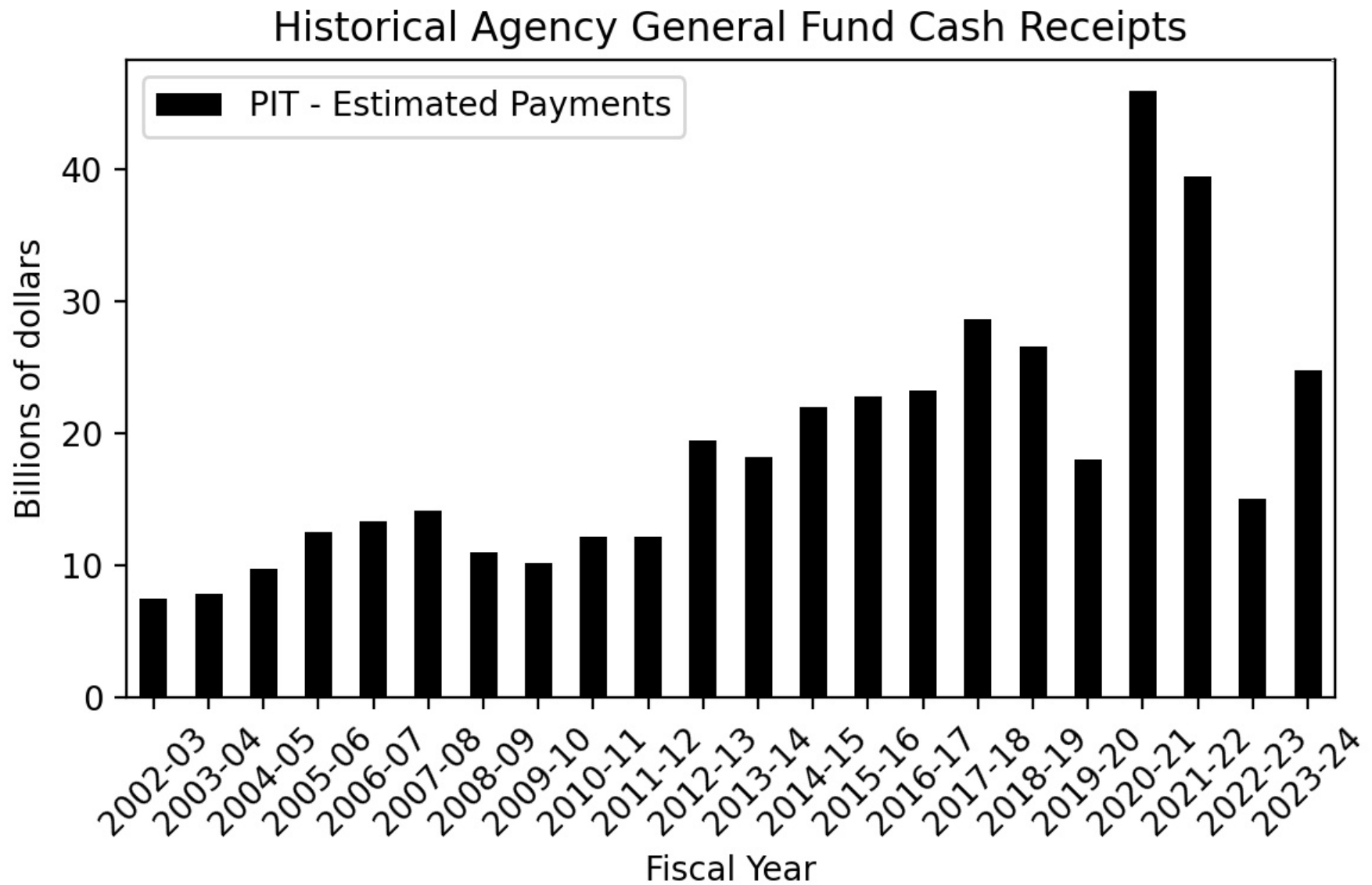


Figure 155

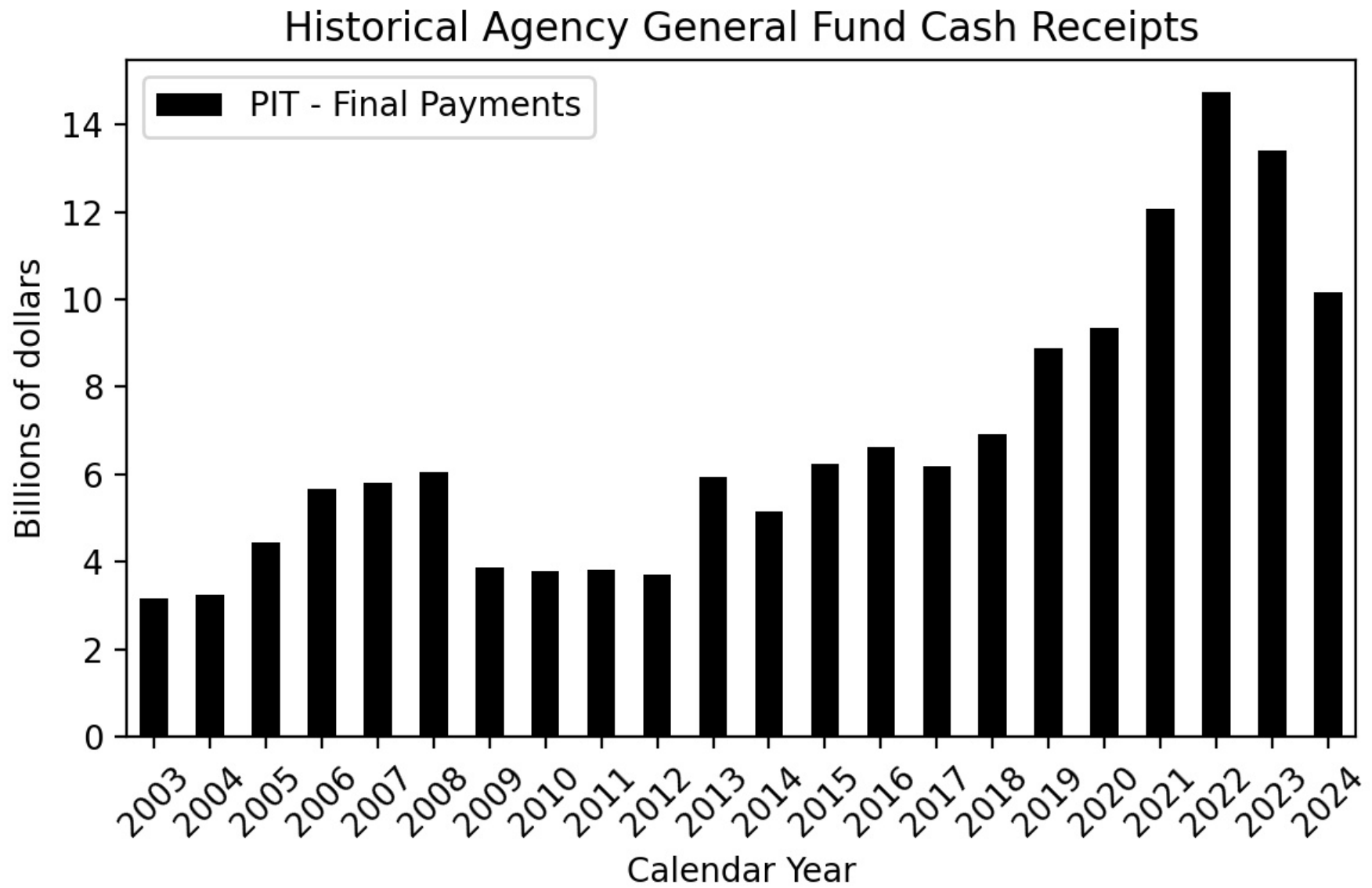


Figure 156

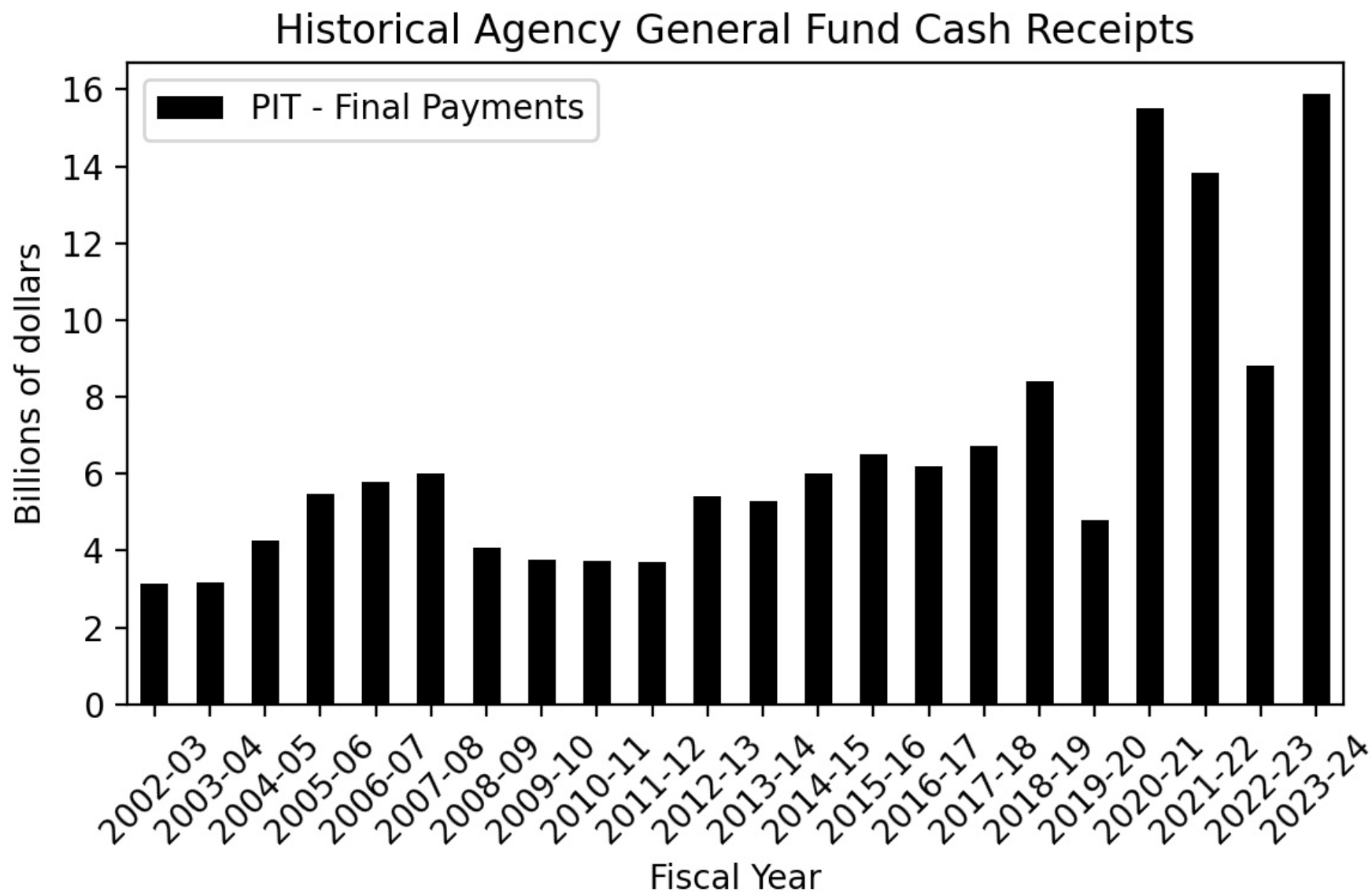


Figure 157

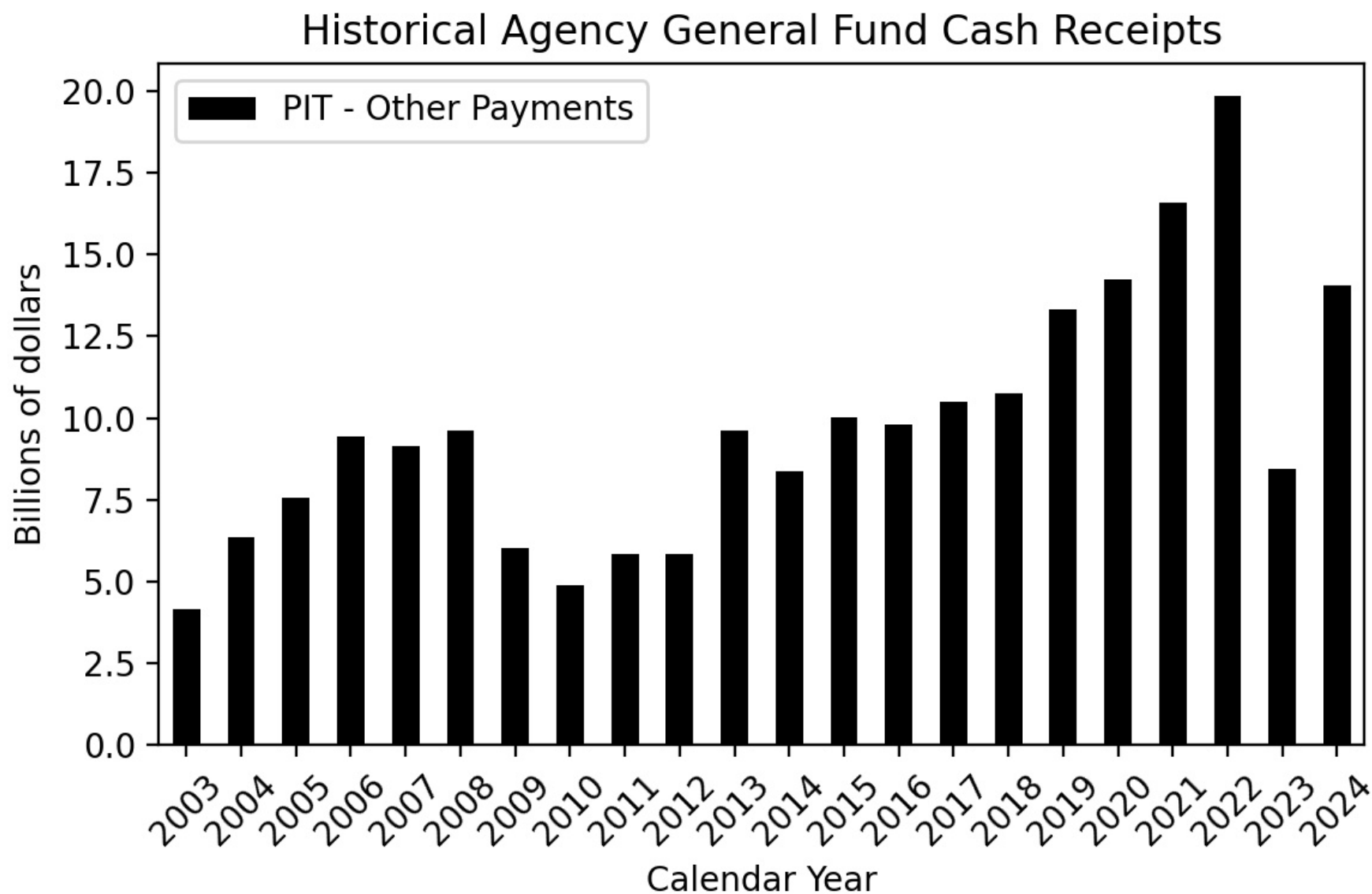


Figure 158

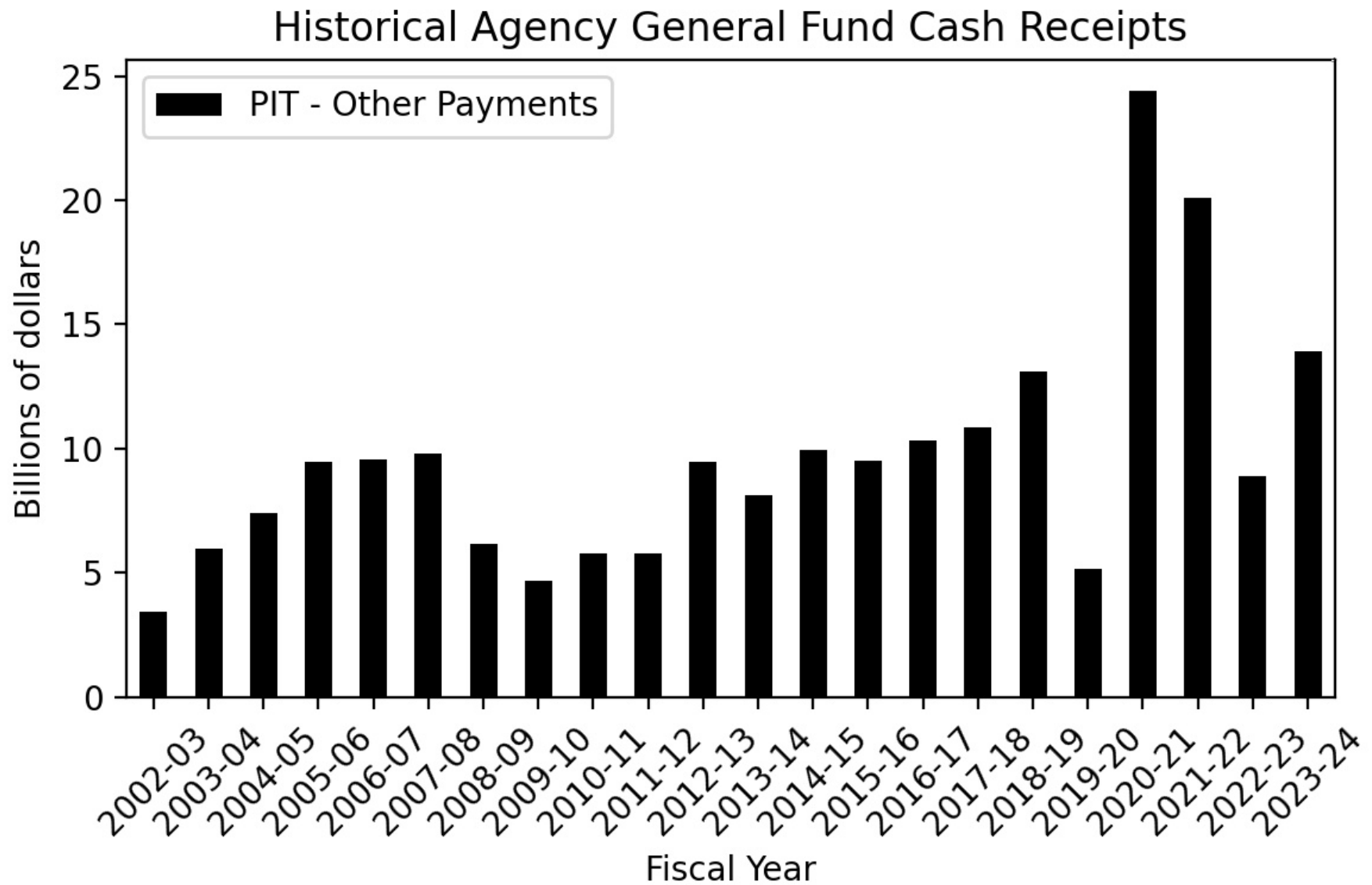


Figure 159

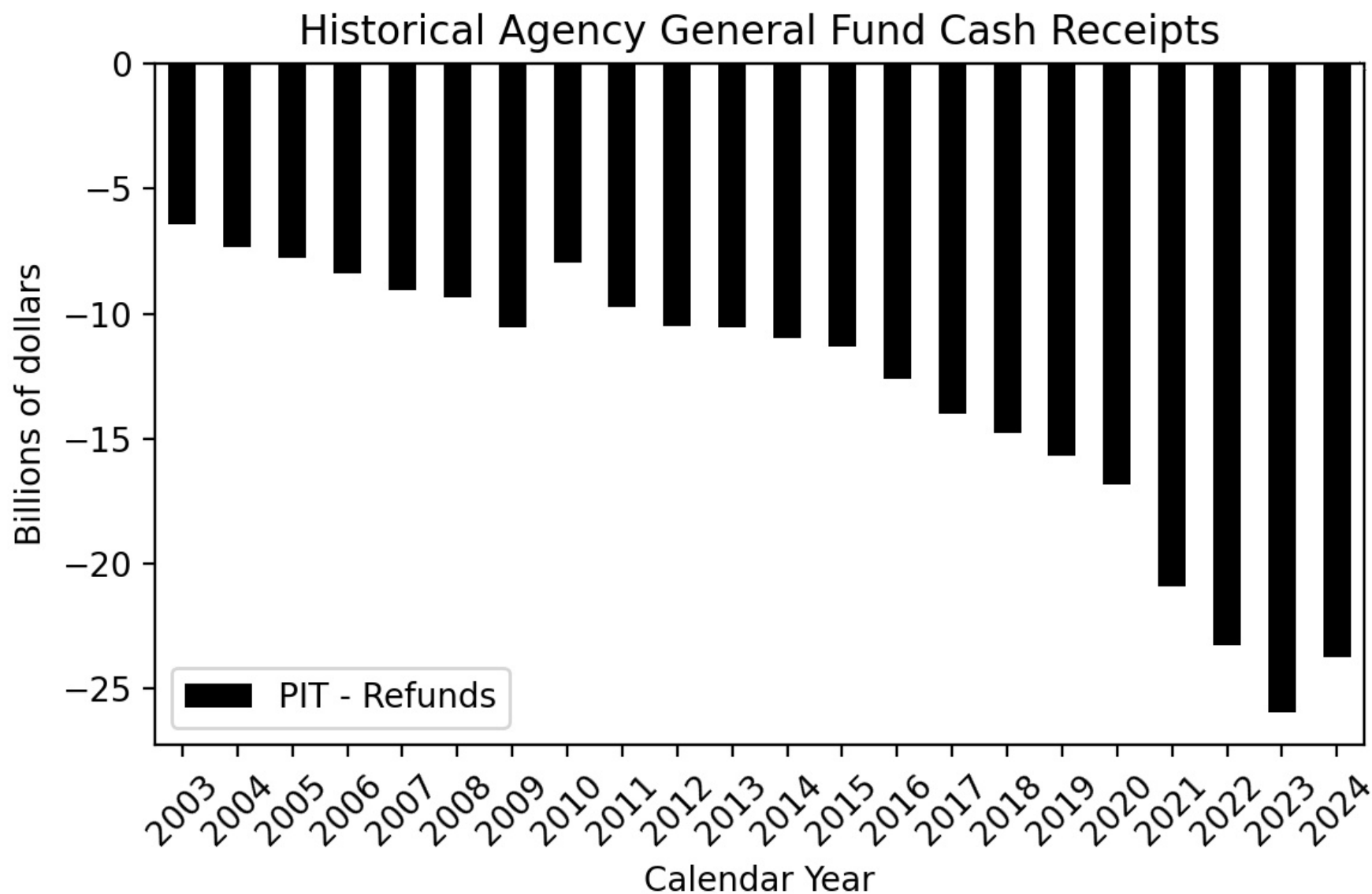


Figure 160

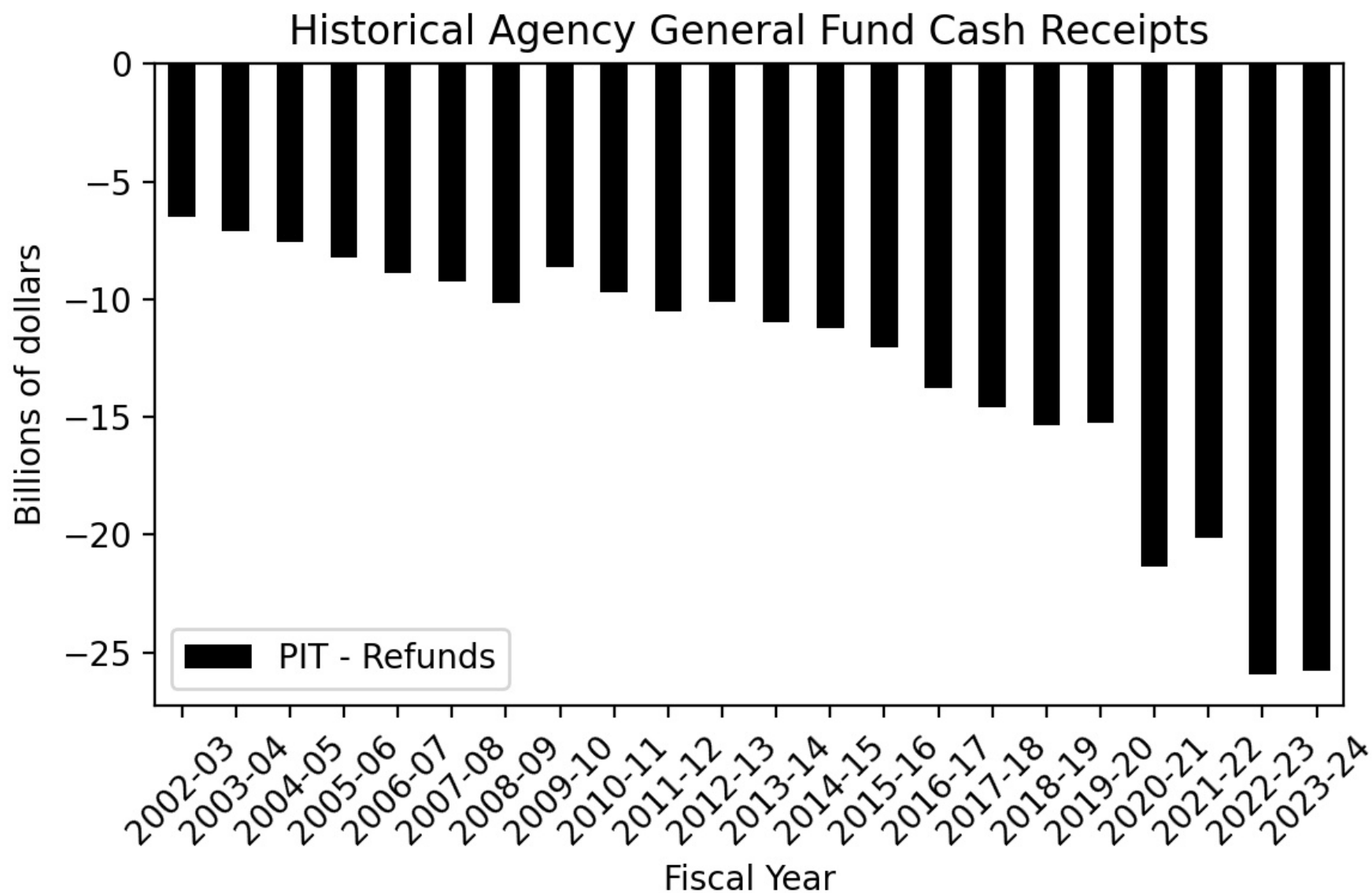


Figure 161

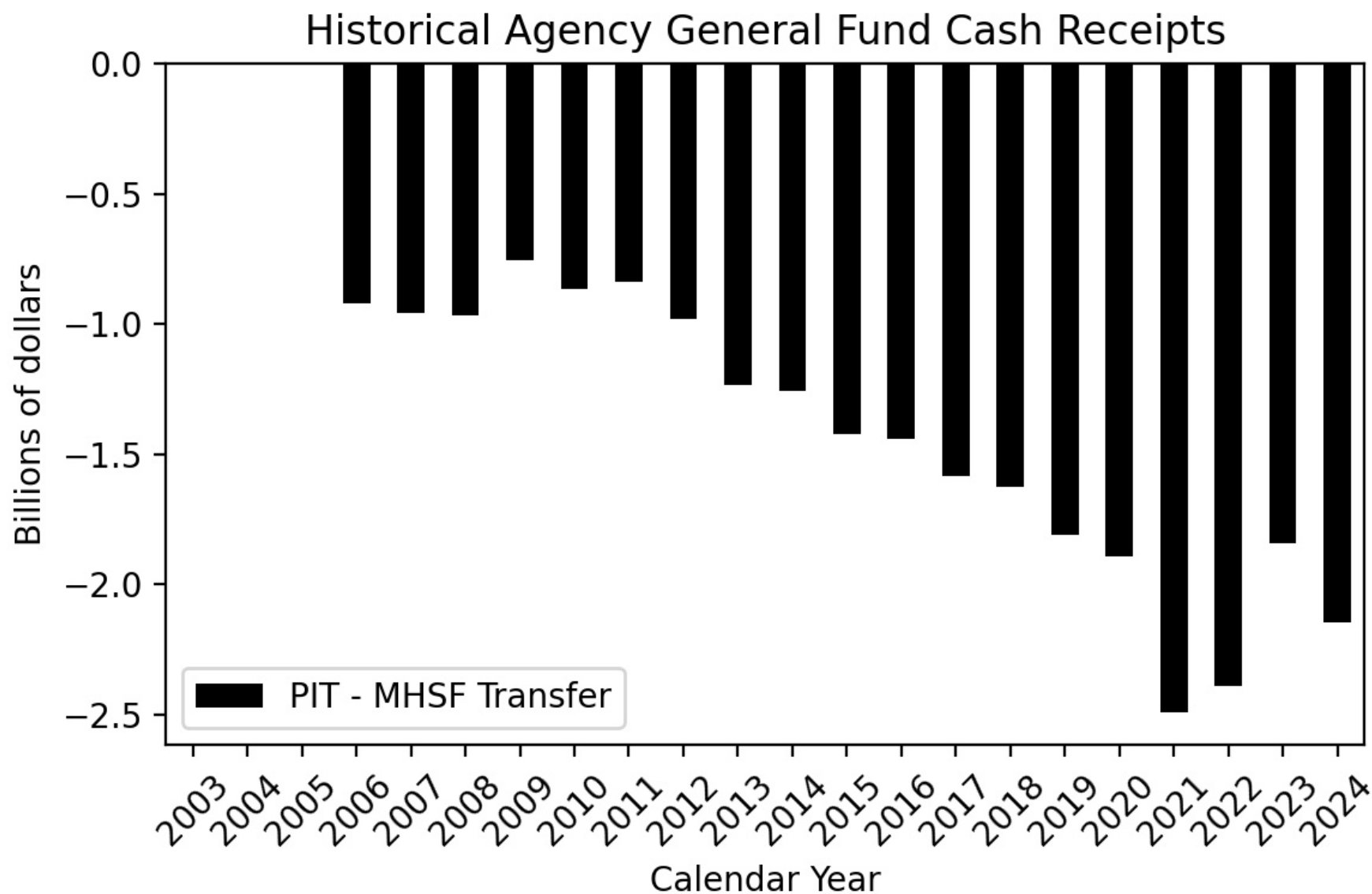


Figure 162

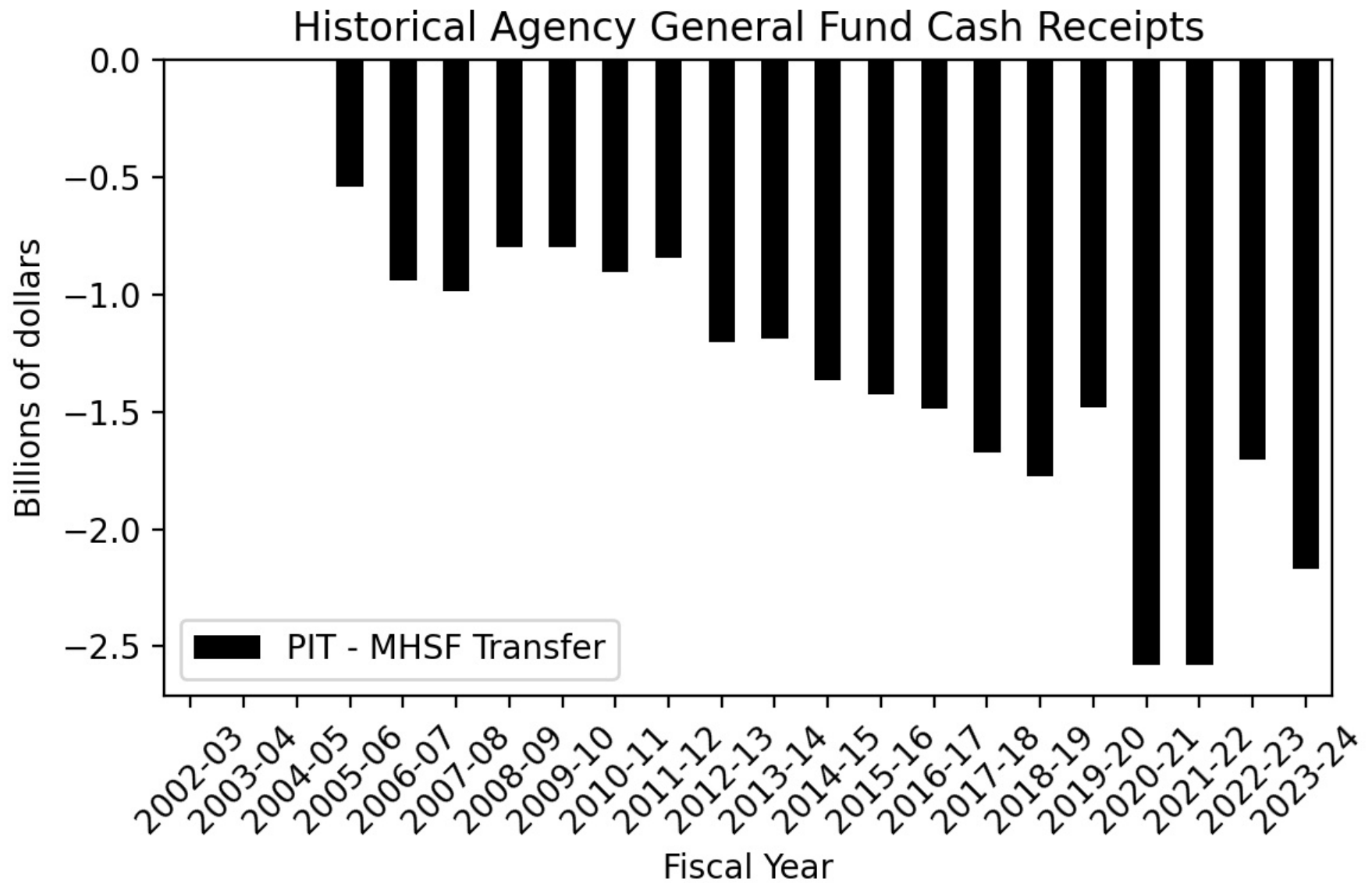


Figure 163

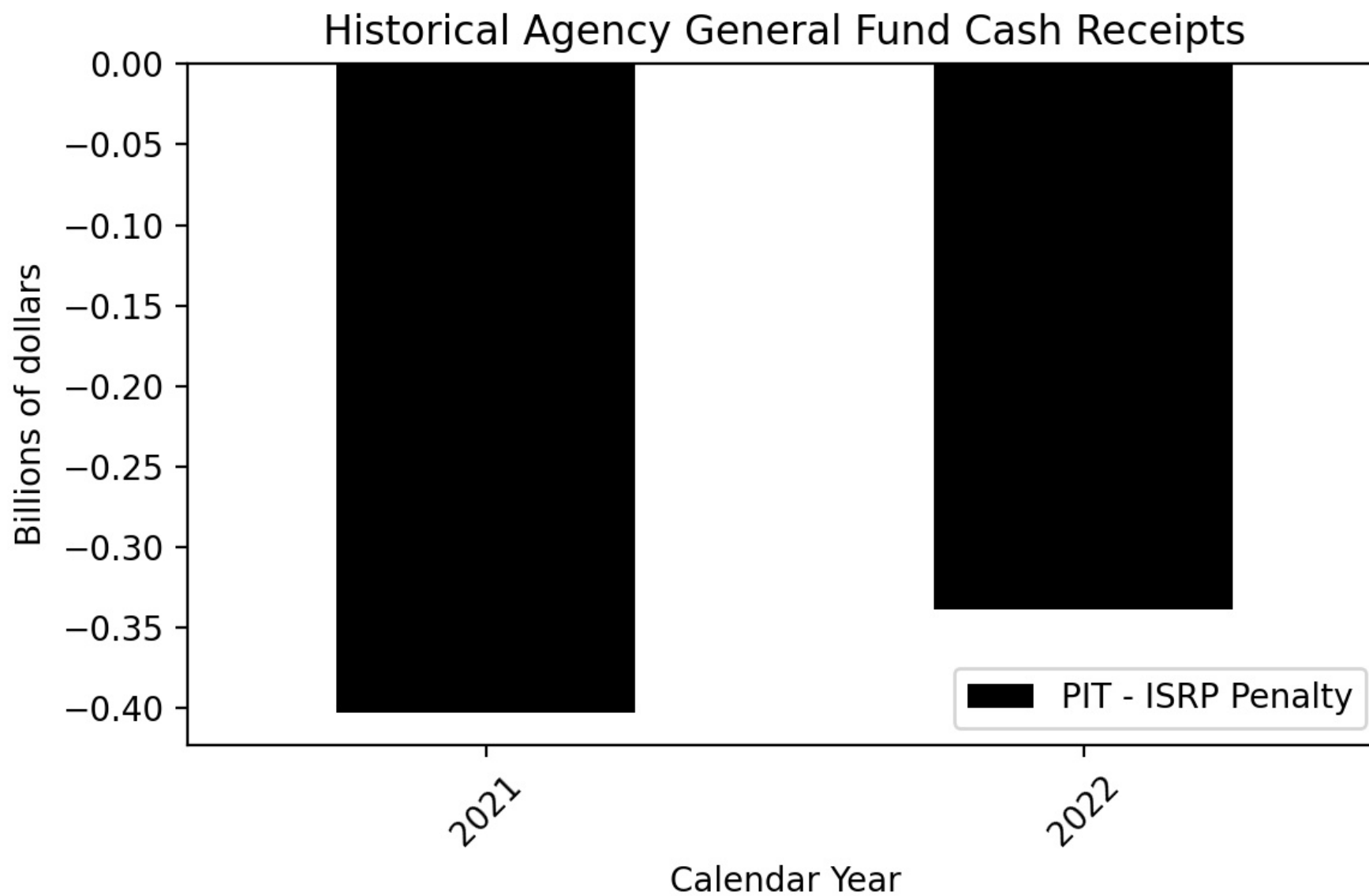


Figure 164

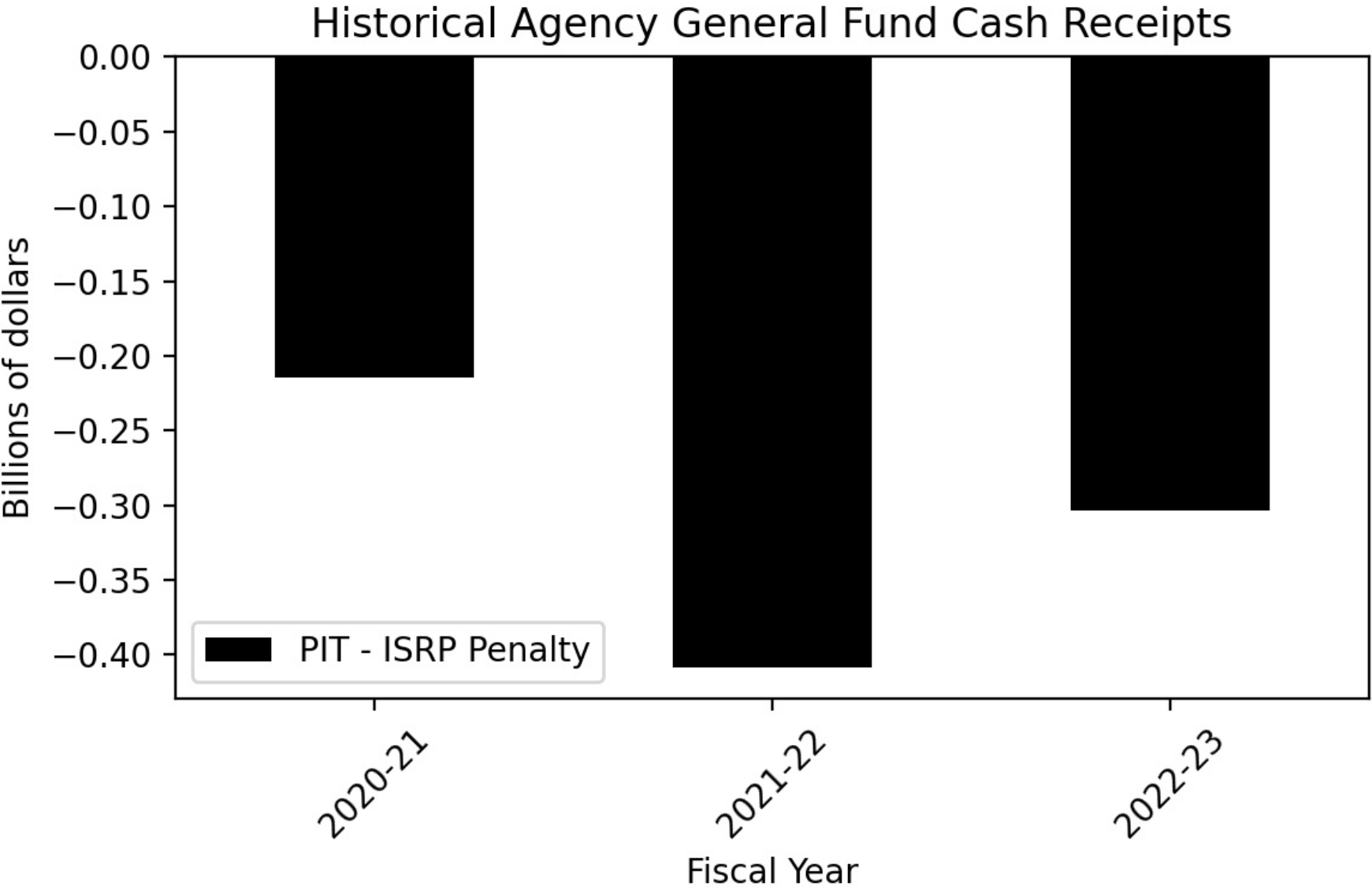


Figure 165

Corporation Tax - Historical Agency General Fund Revenues by Sub-Category (Calendar Year)

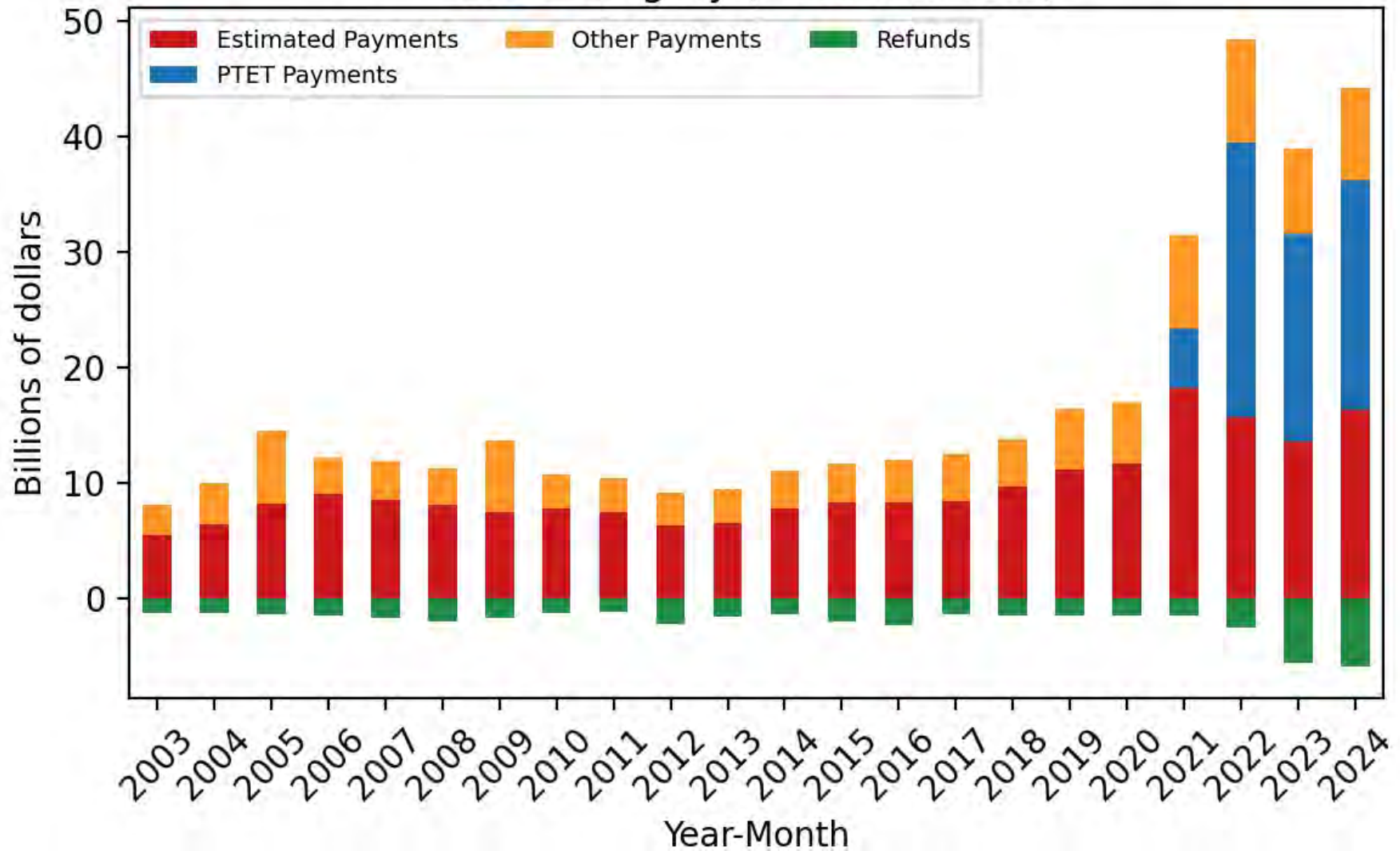


Figure 166

Corporation Tax - Historical Agency General Fund Revenues by Sub-Category (Fiscal Year)

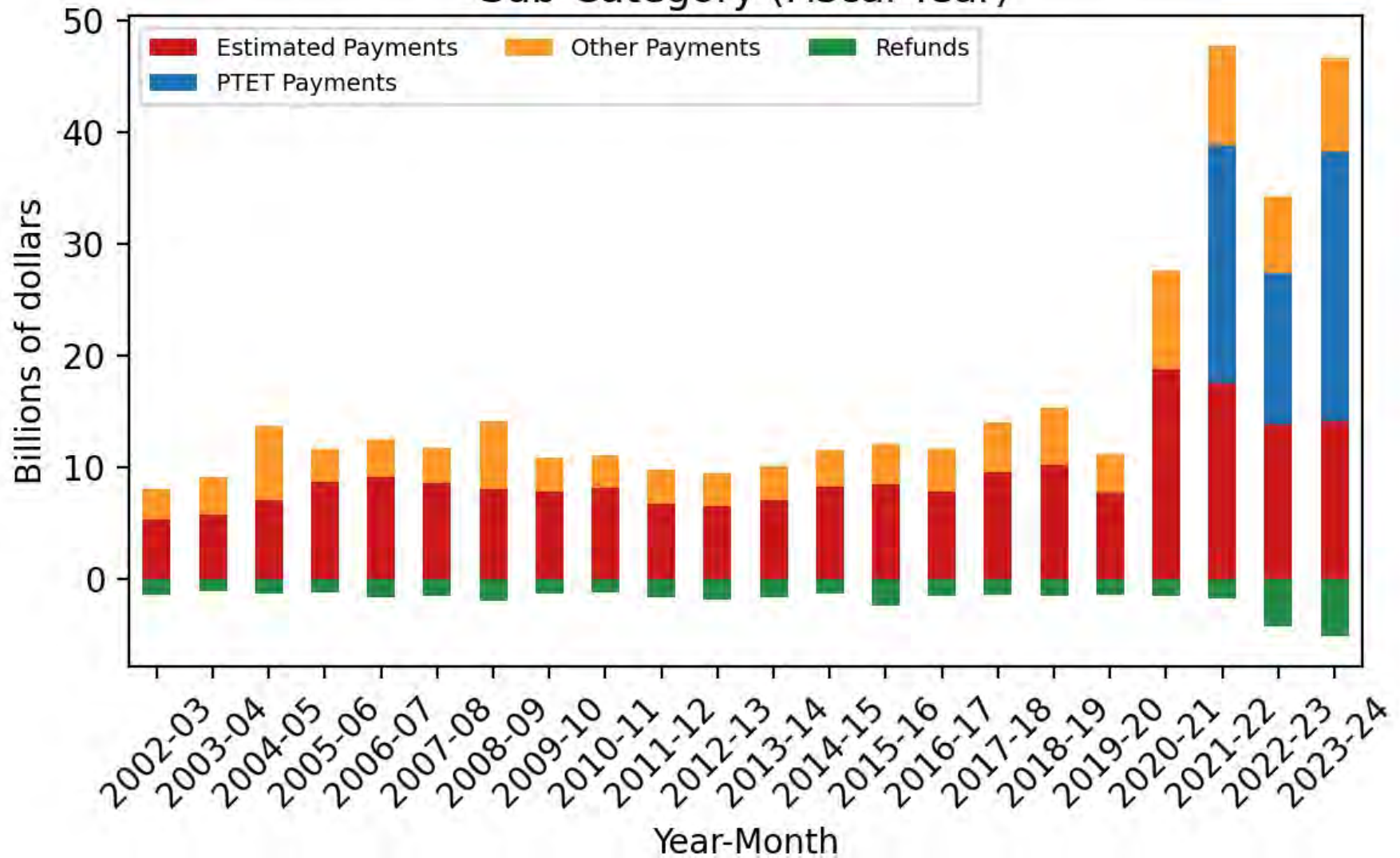


Figure 167

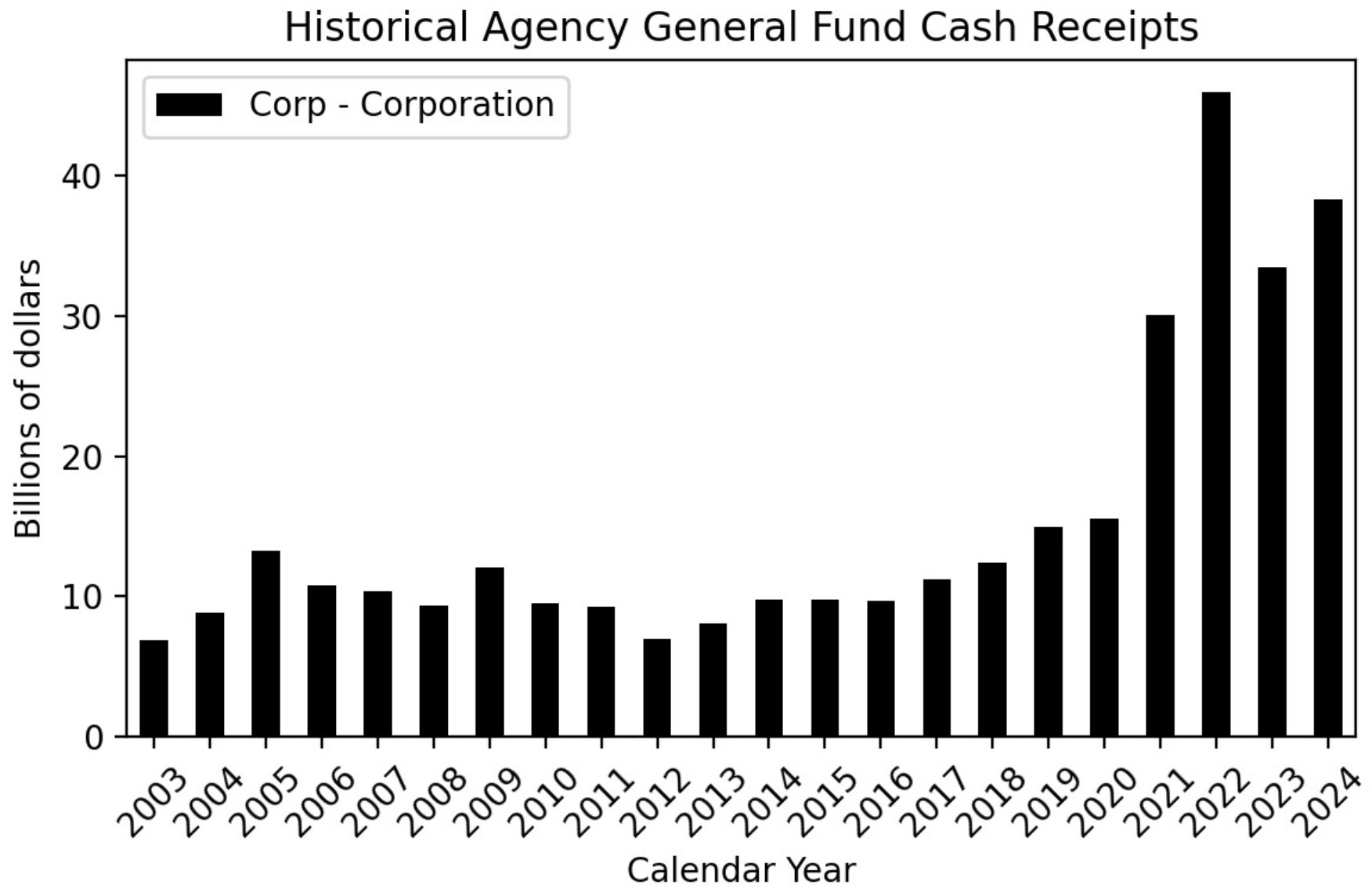


Figure 168

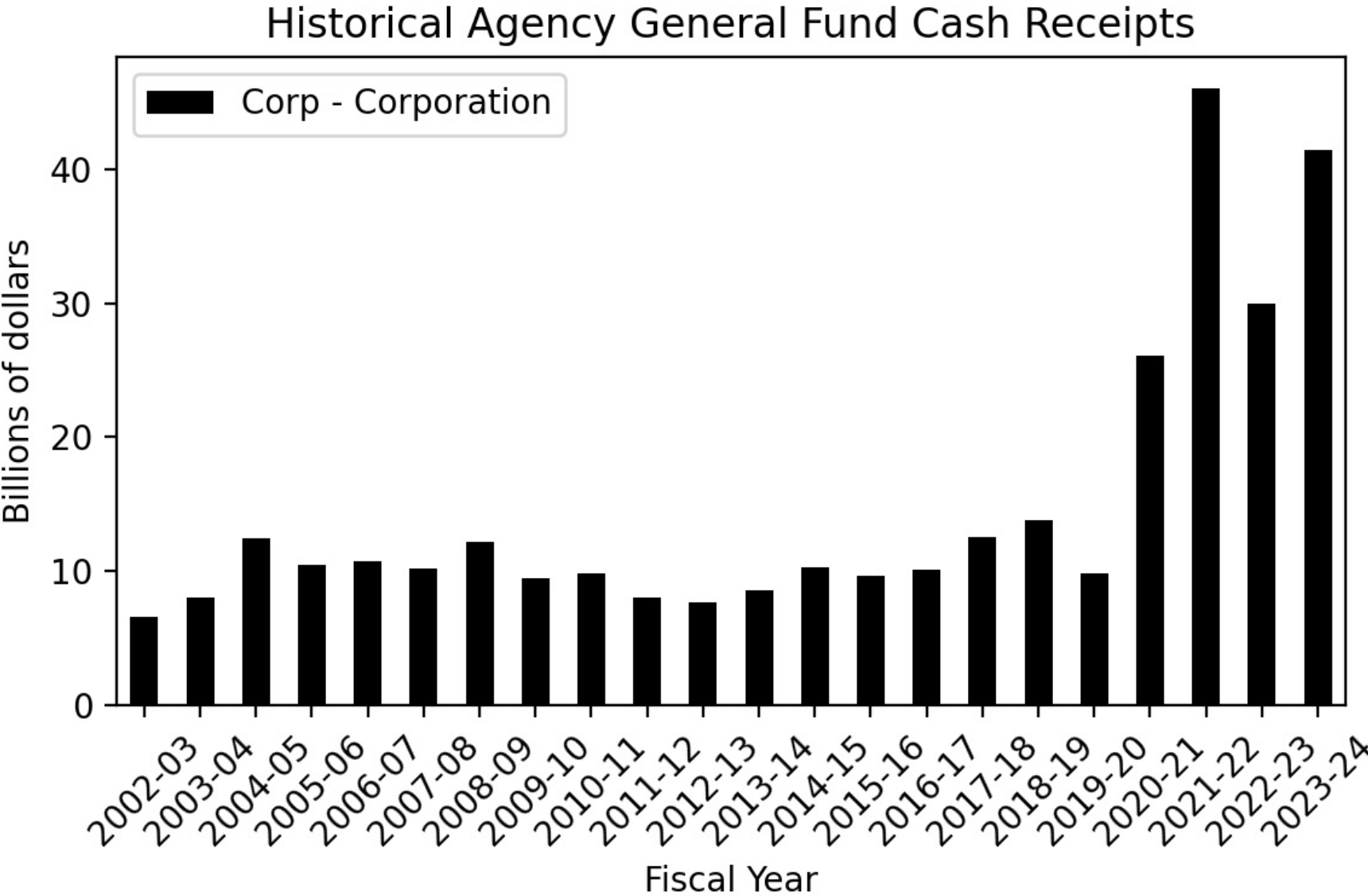


Figure 169

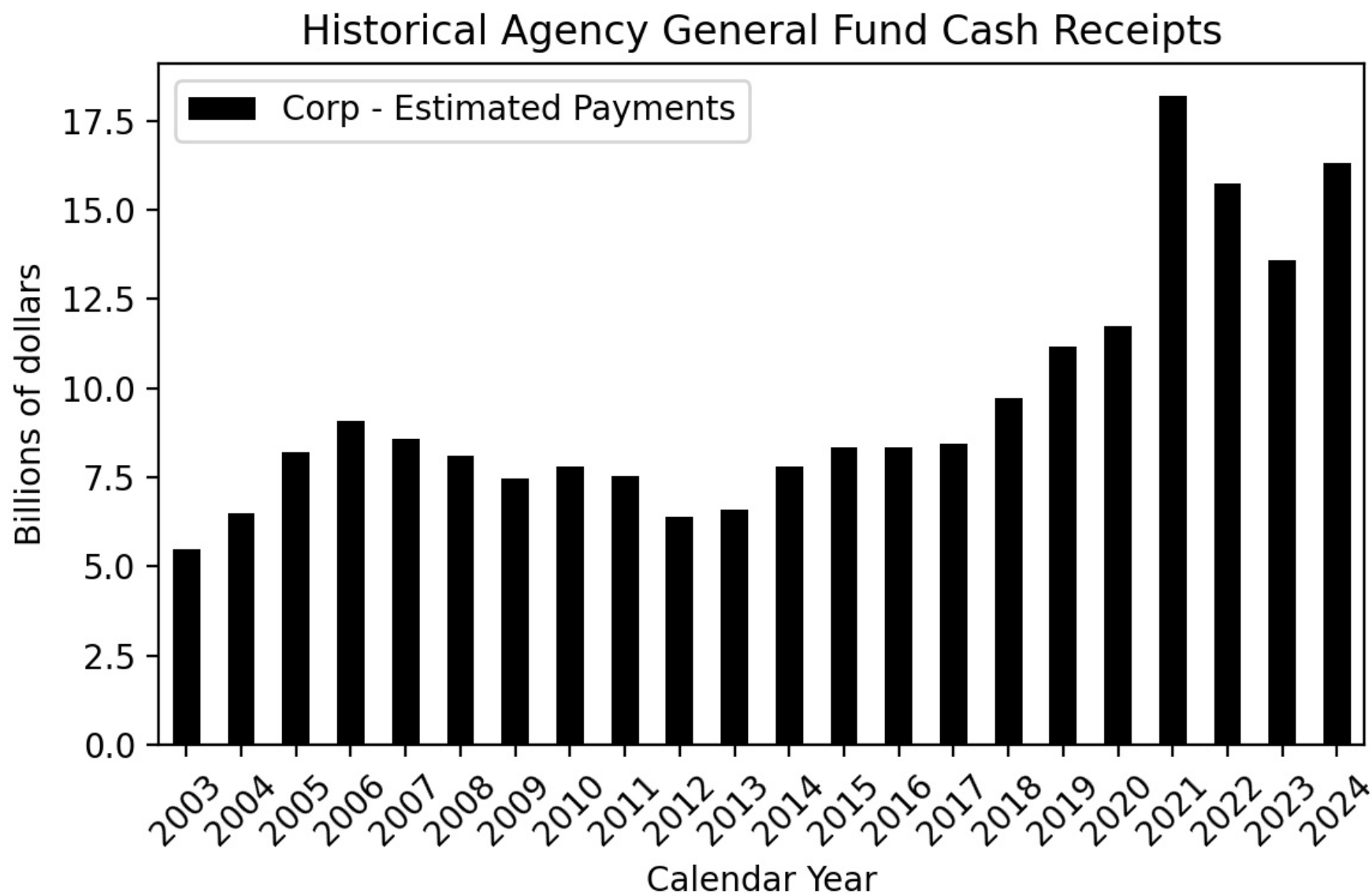


Figure 170

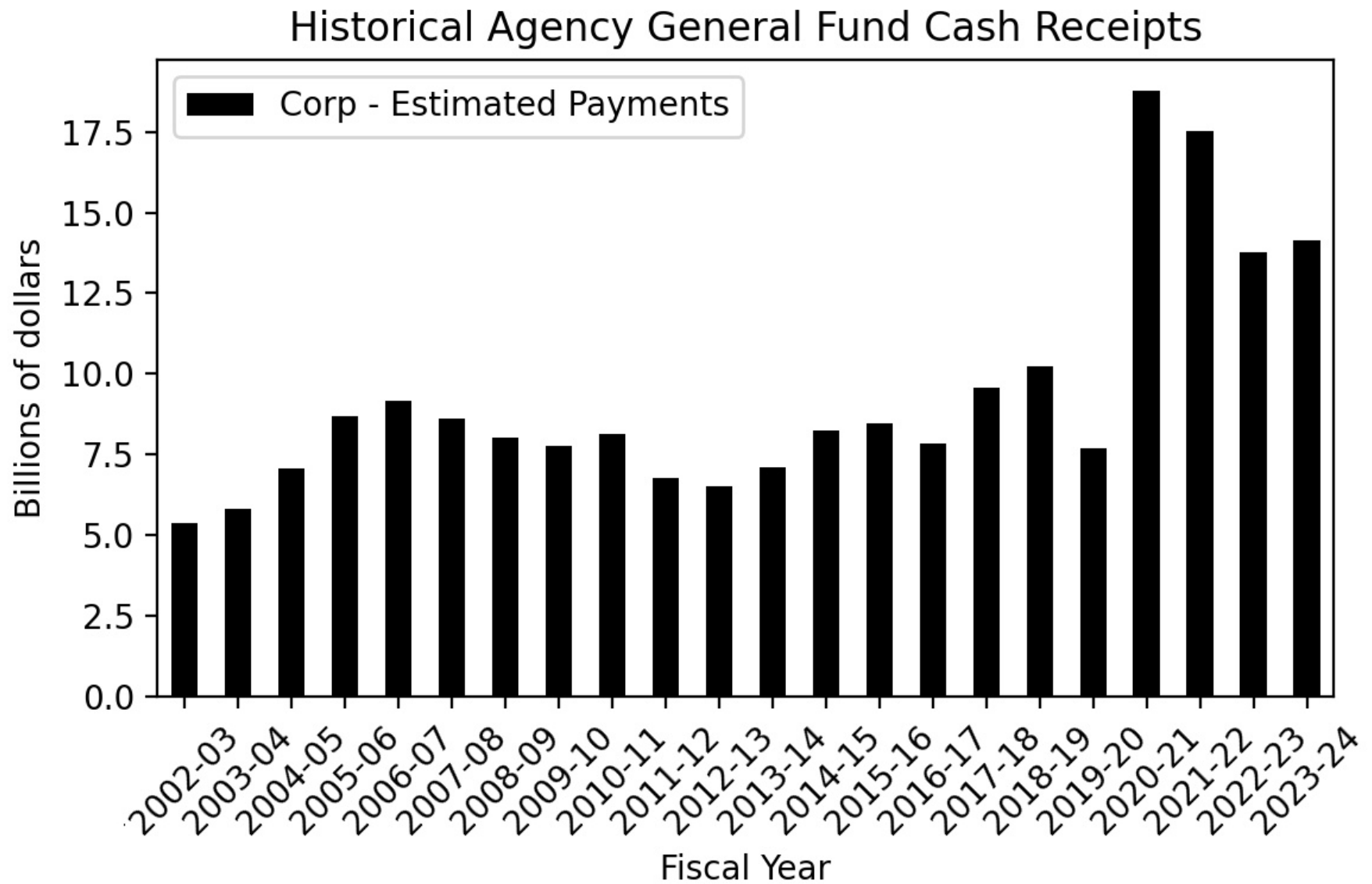


Figure 171

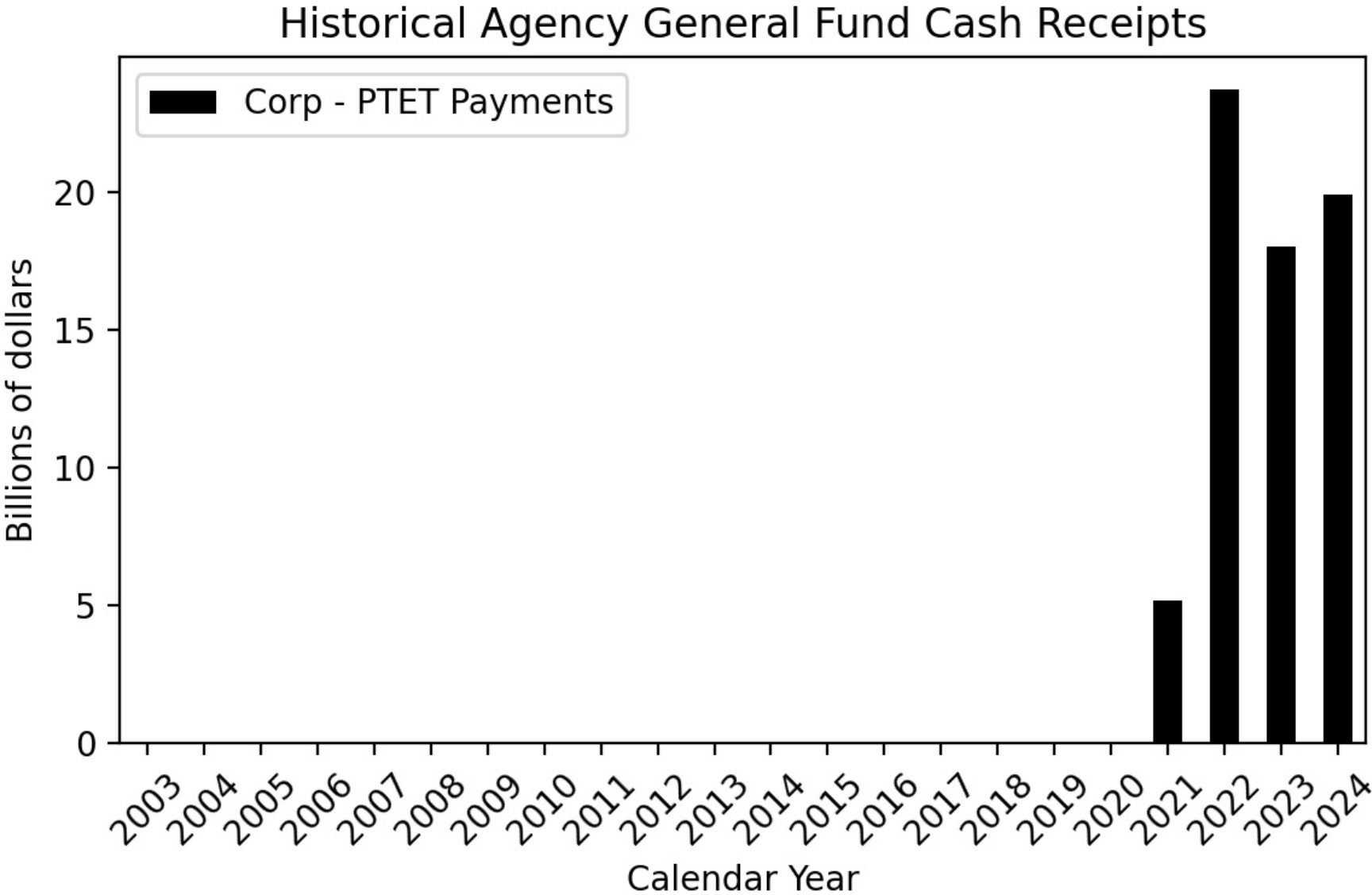


Figure 172

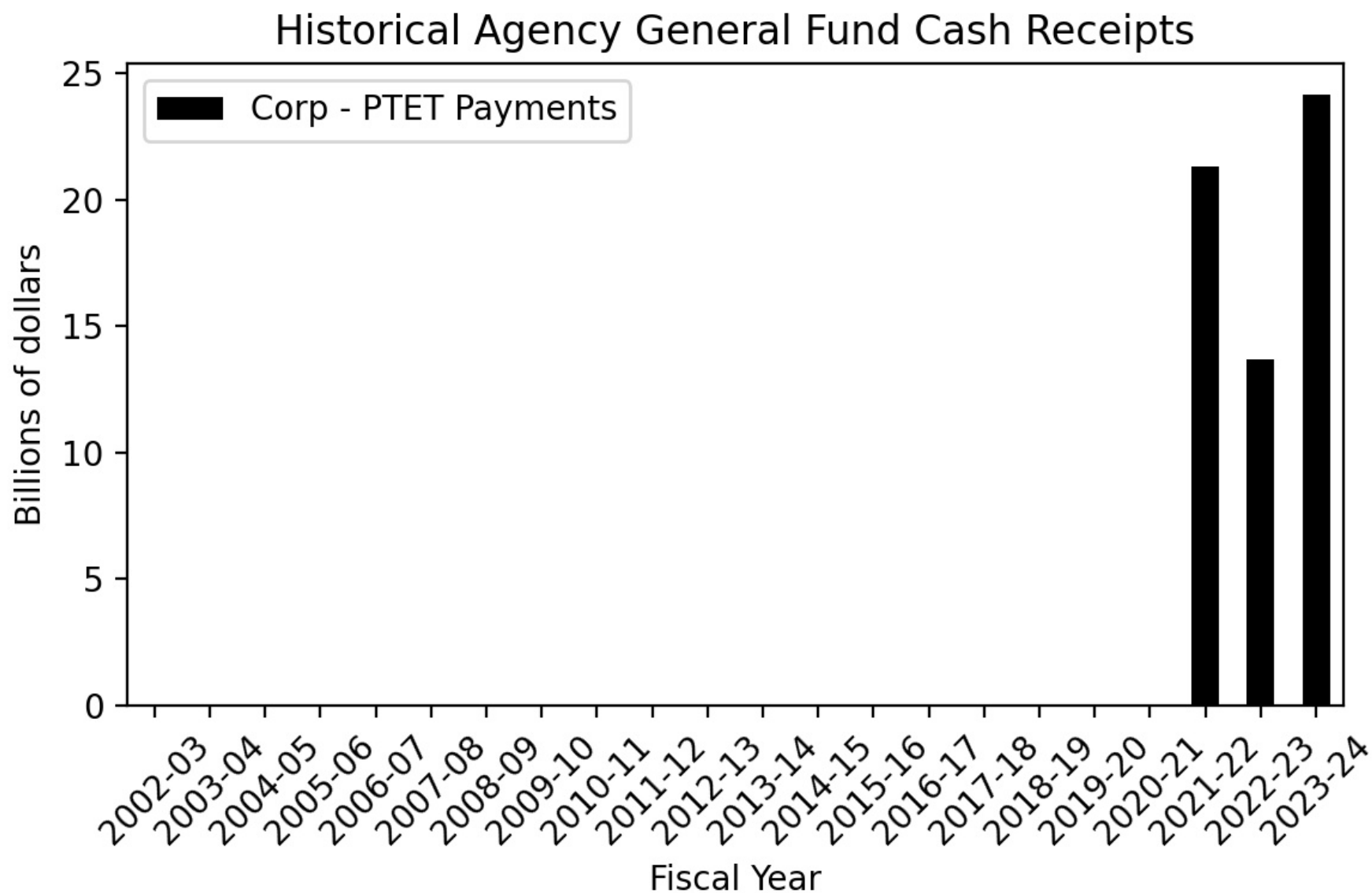


Figure 173

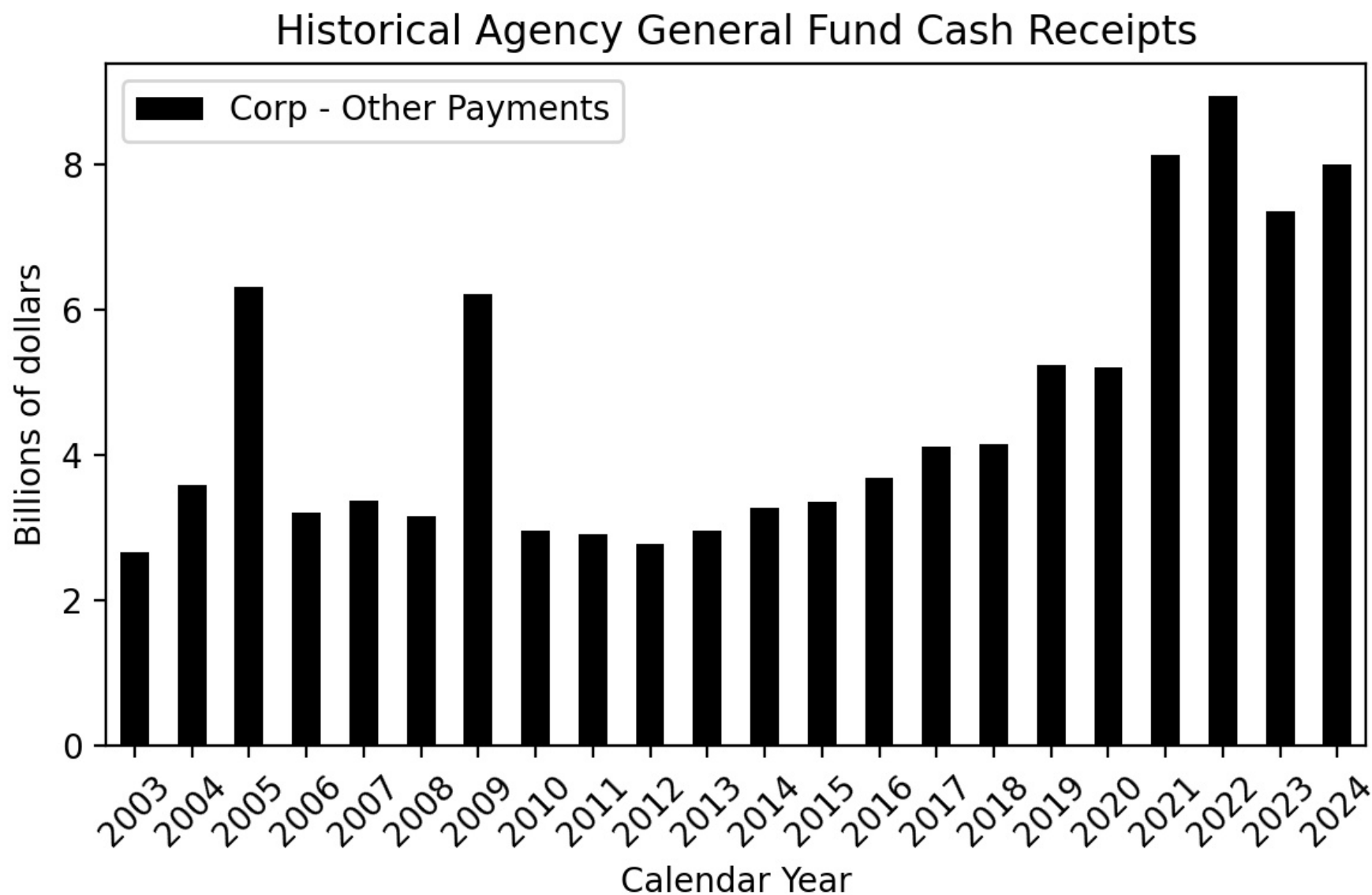


Figure 174

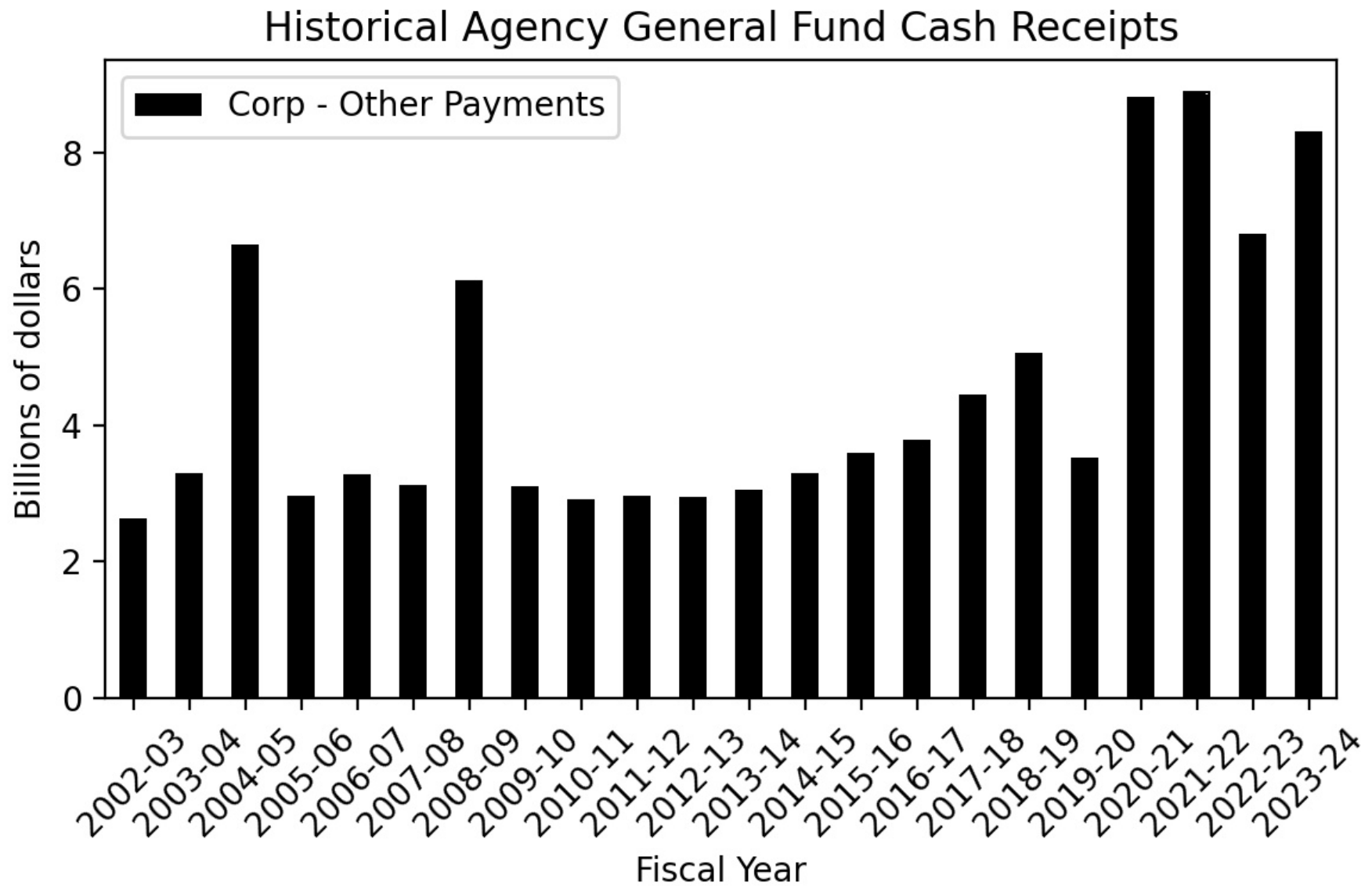


Figure 175

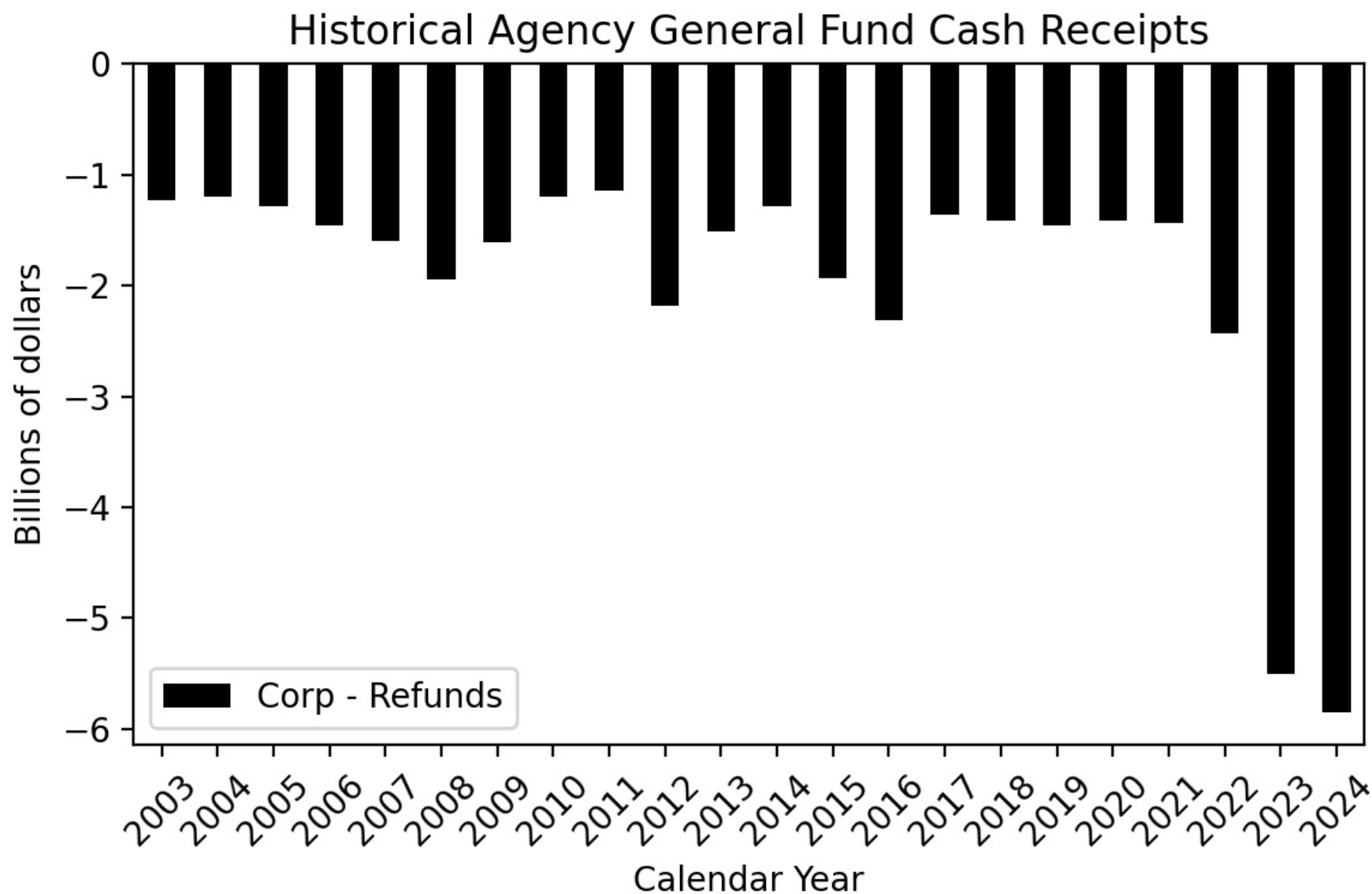


Figure 176

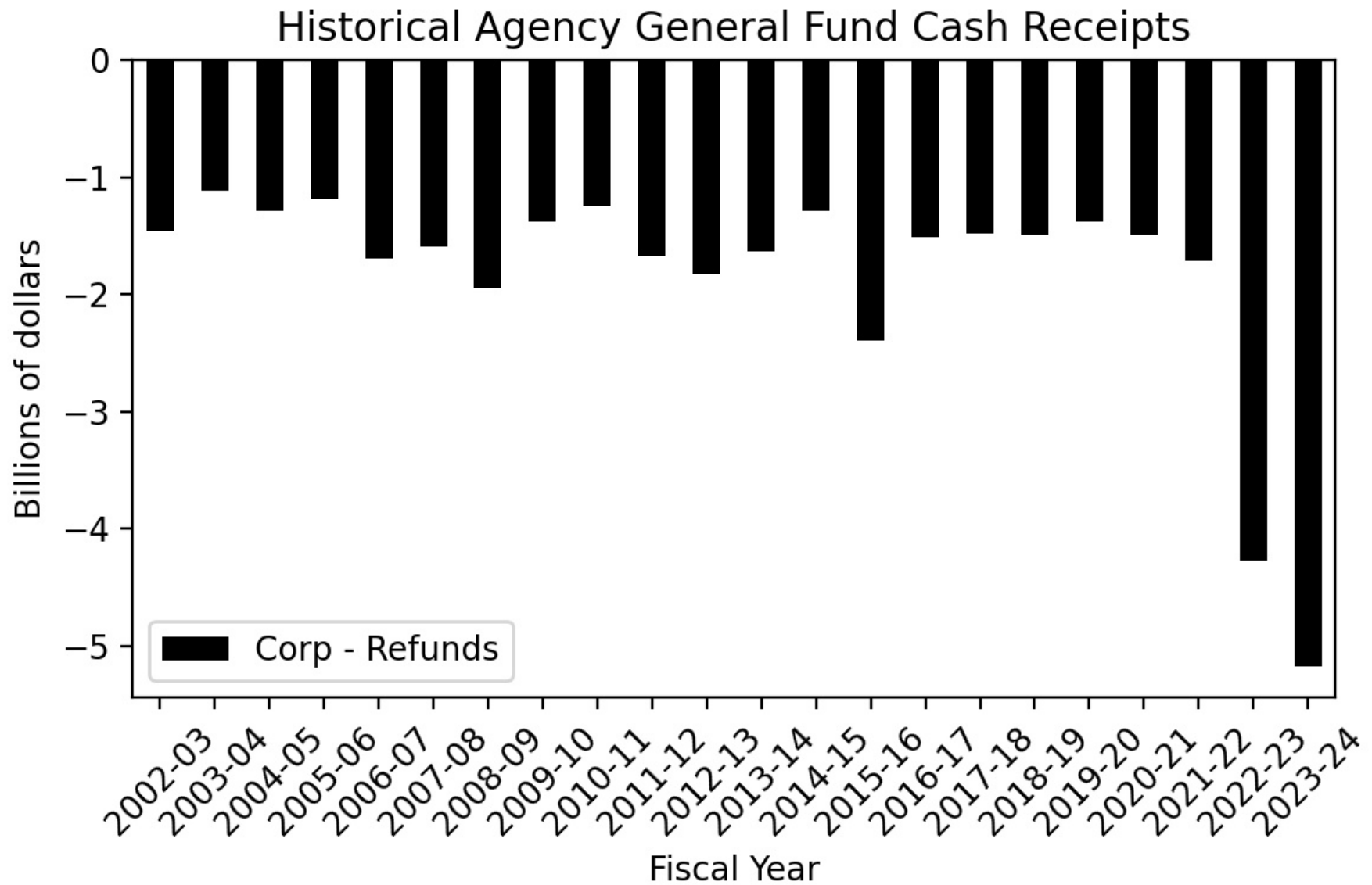


Figure 177

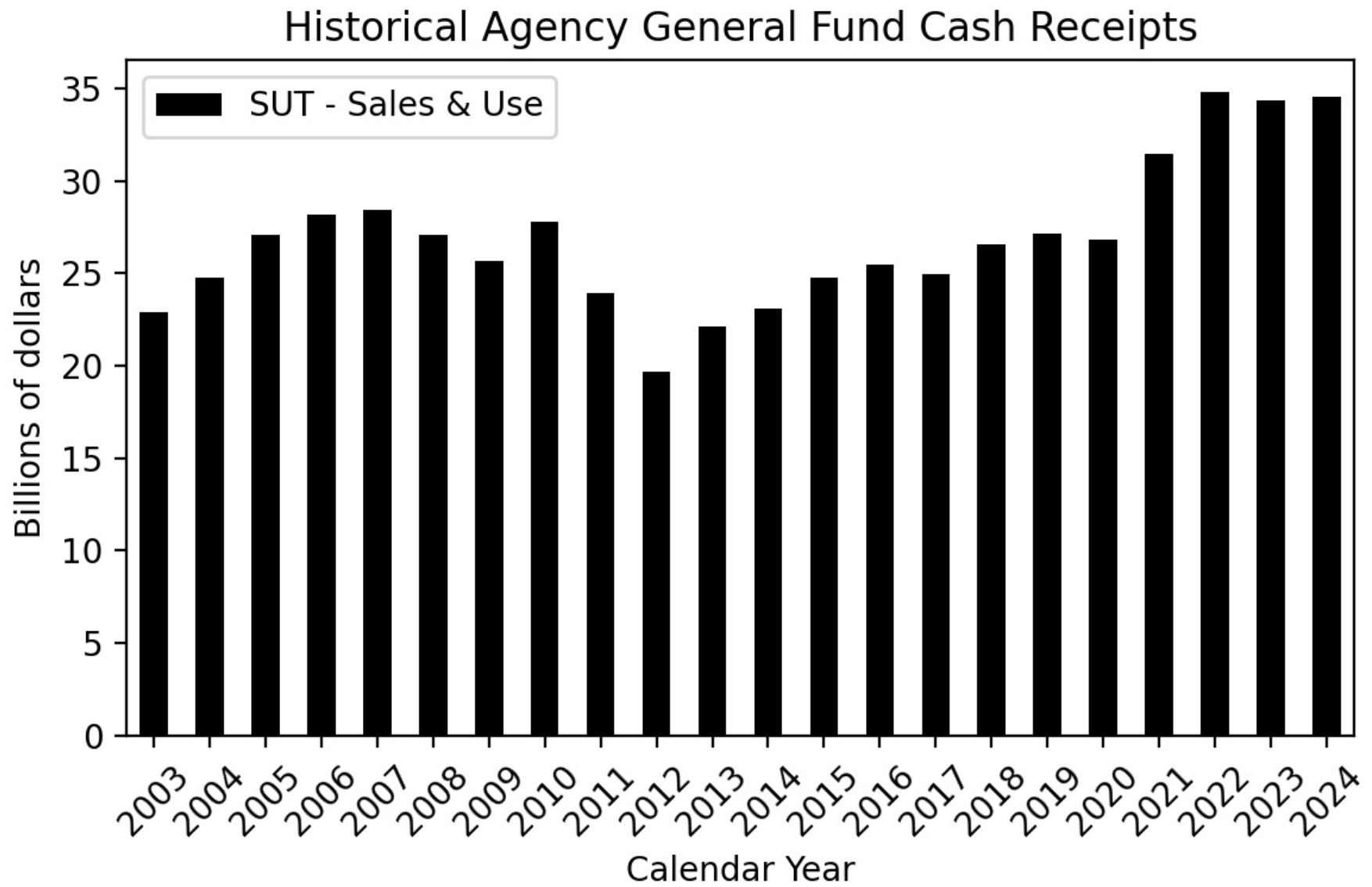


Figure 178

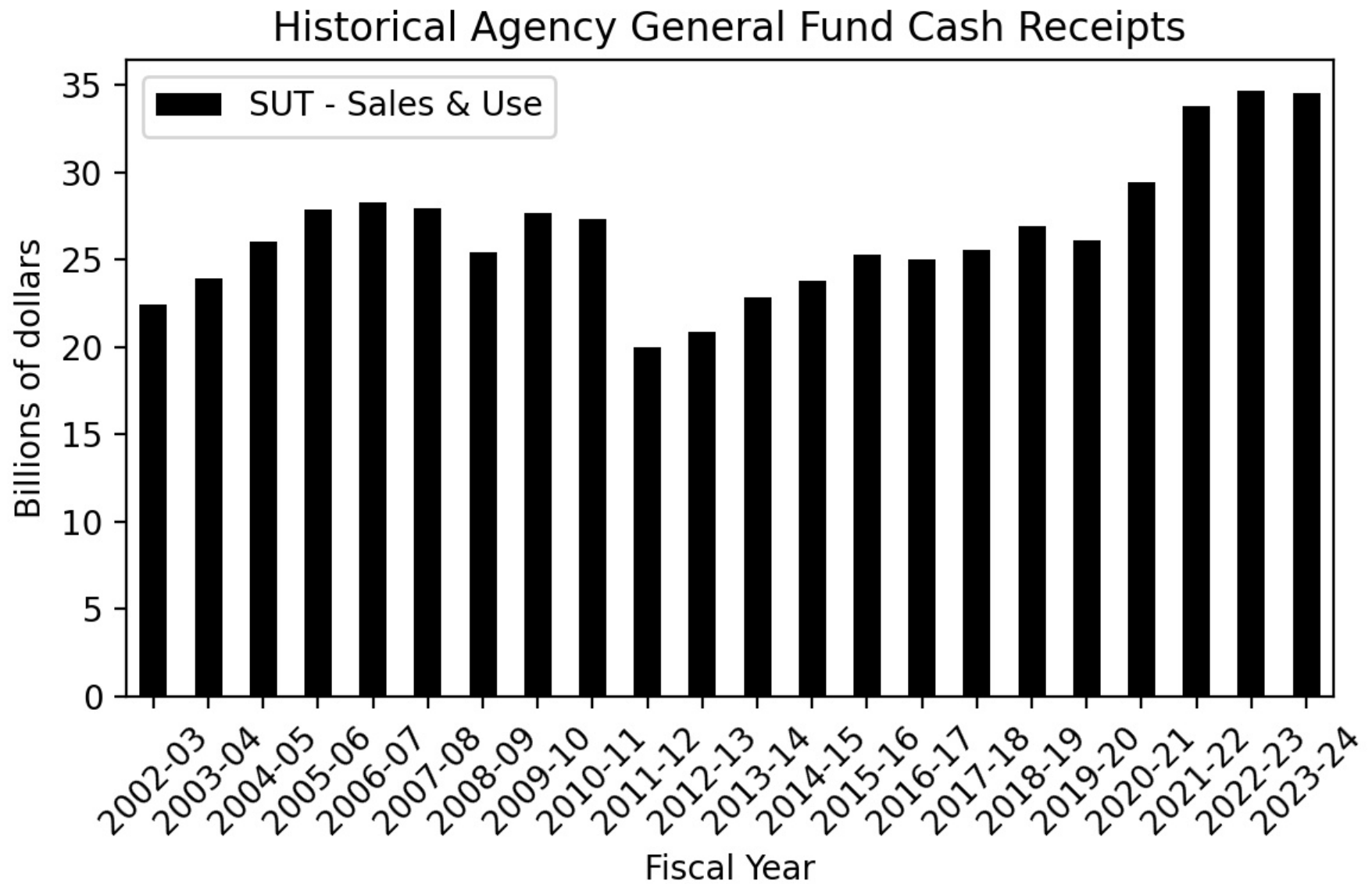


Figure 179

Other Tax - Historical Agency General Fund Revenues by Sub-Category (Calendar Year)

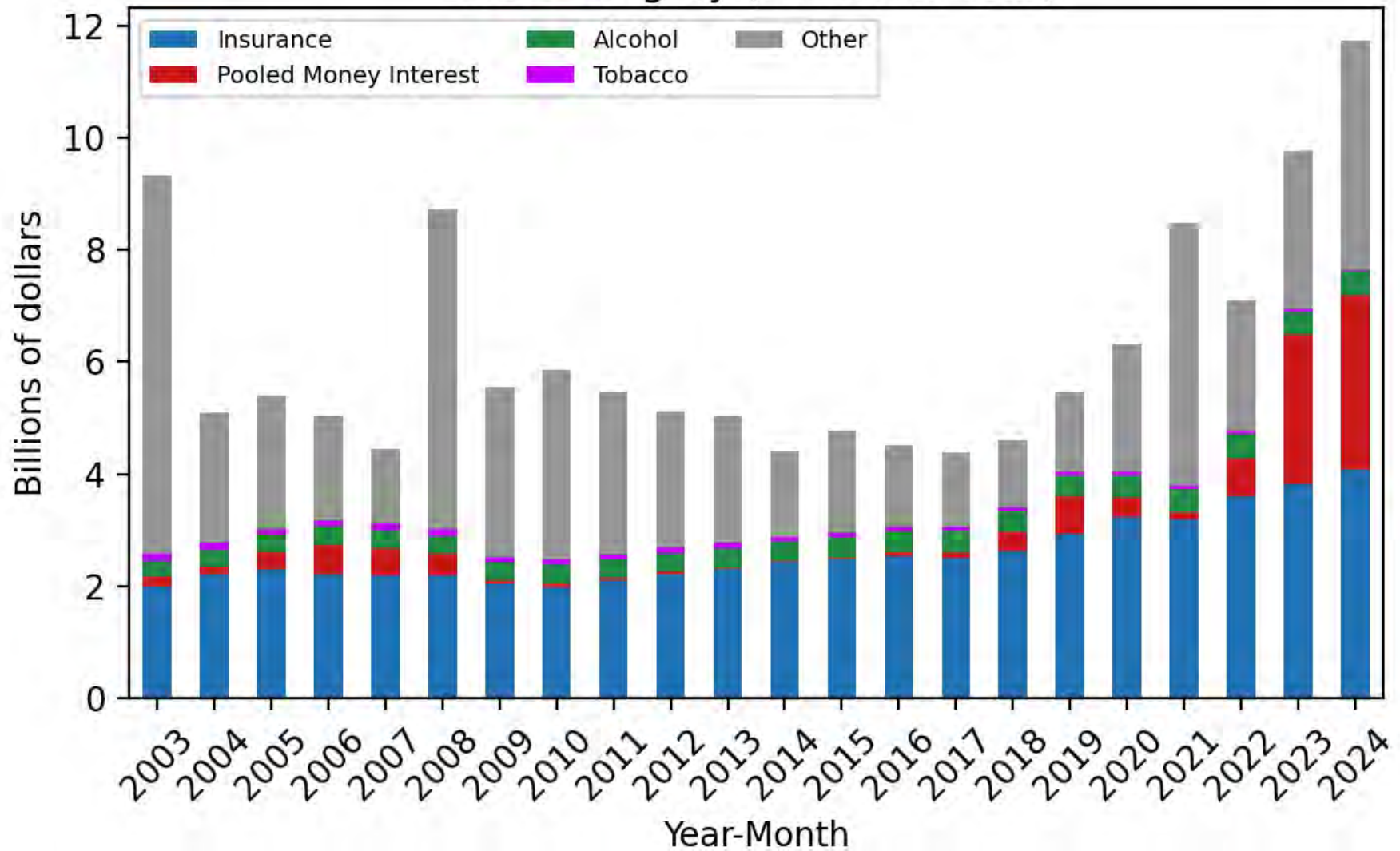


Figure 180

Other Tax - Historical Agency General Fund Revenues by Sub-Category (Fiscal Year)

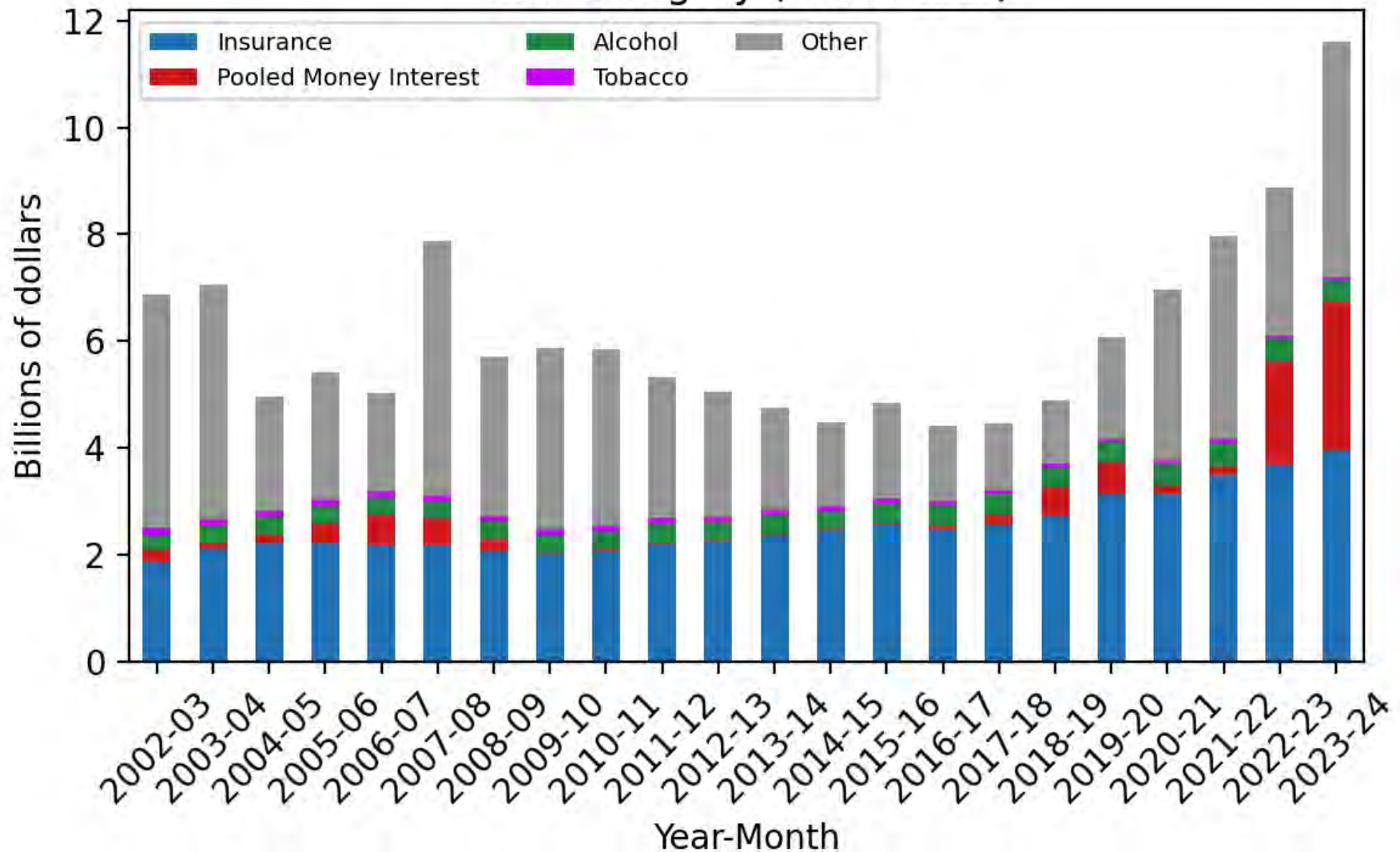


Figure 181

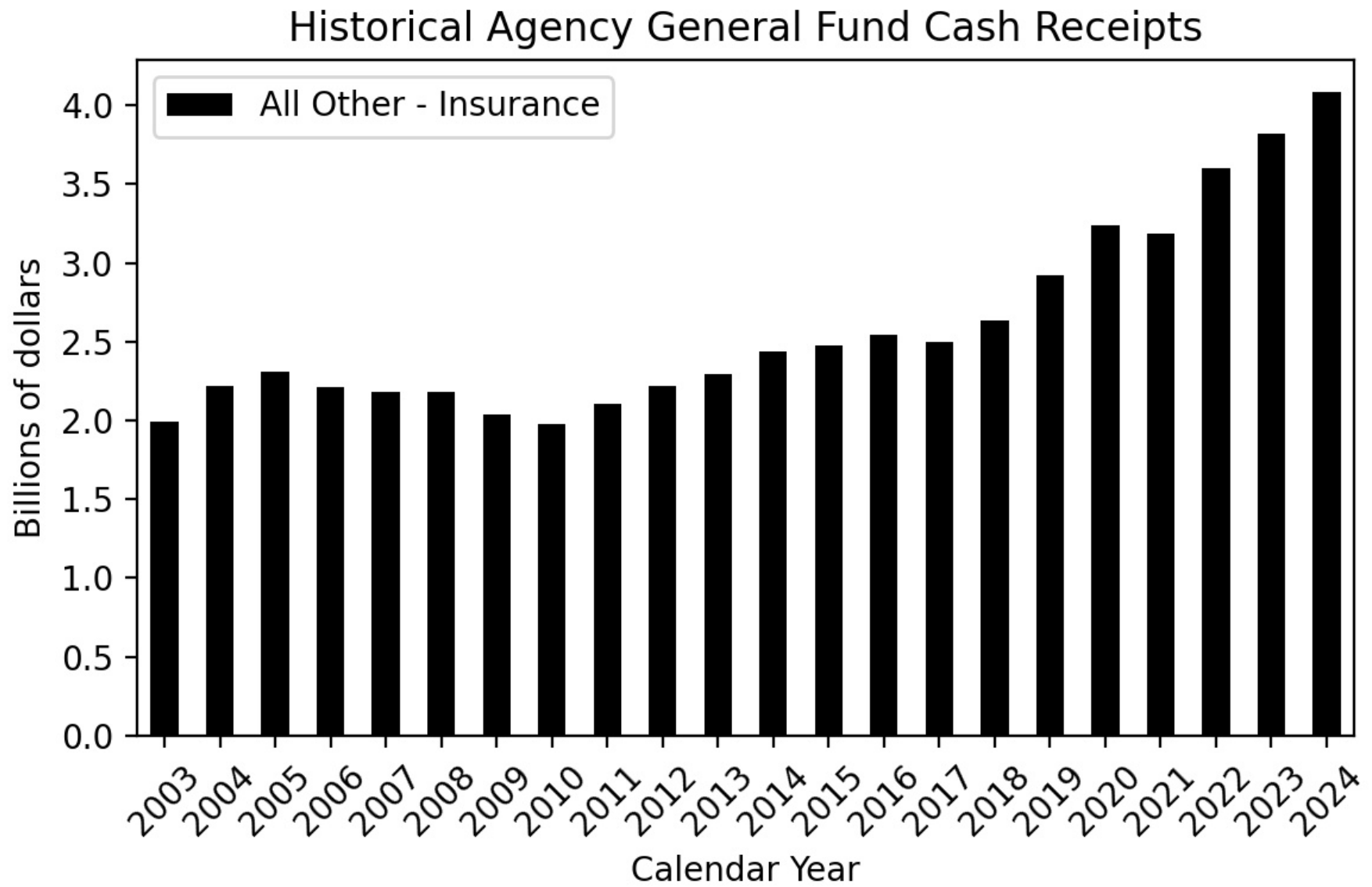


Figure 182

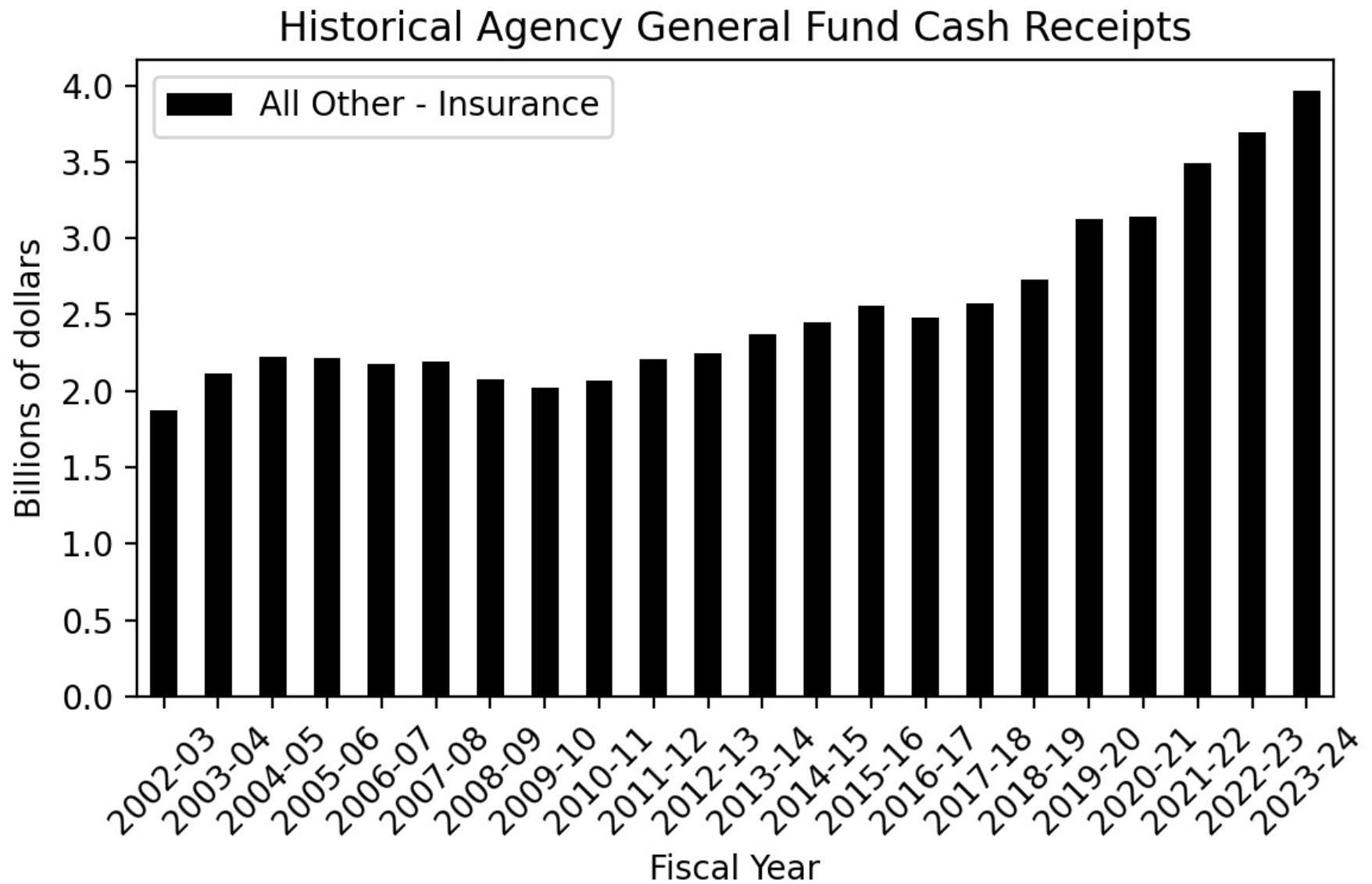


Figure 183

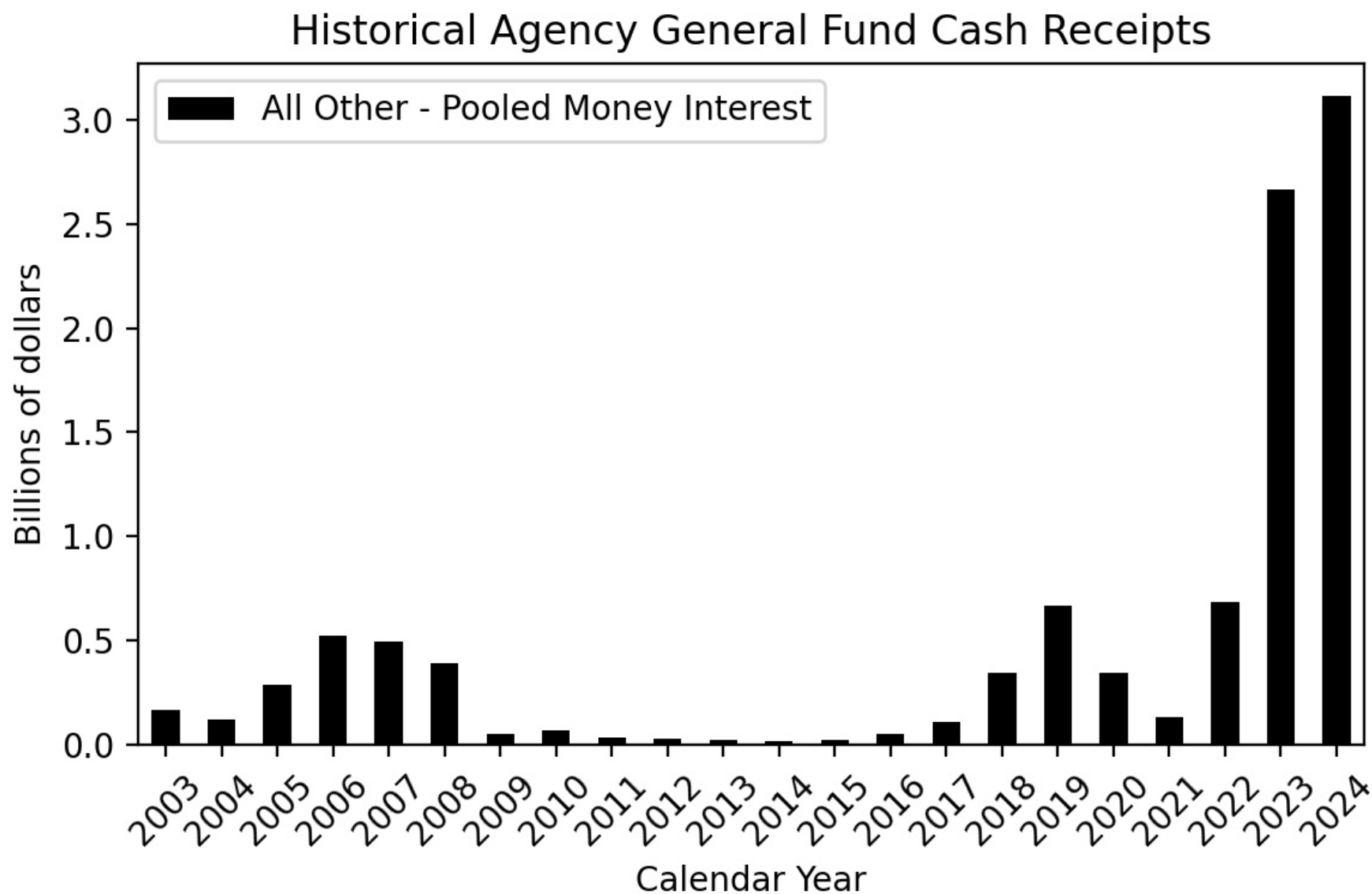


Figure 184

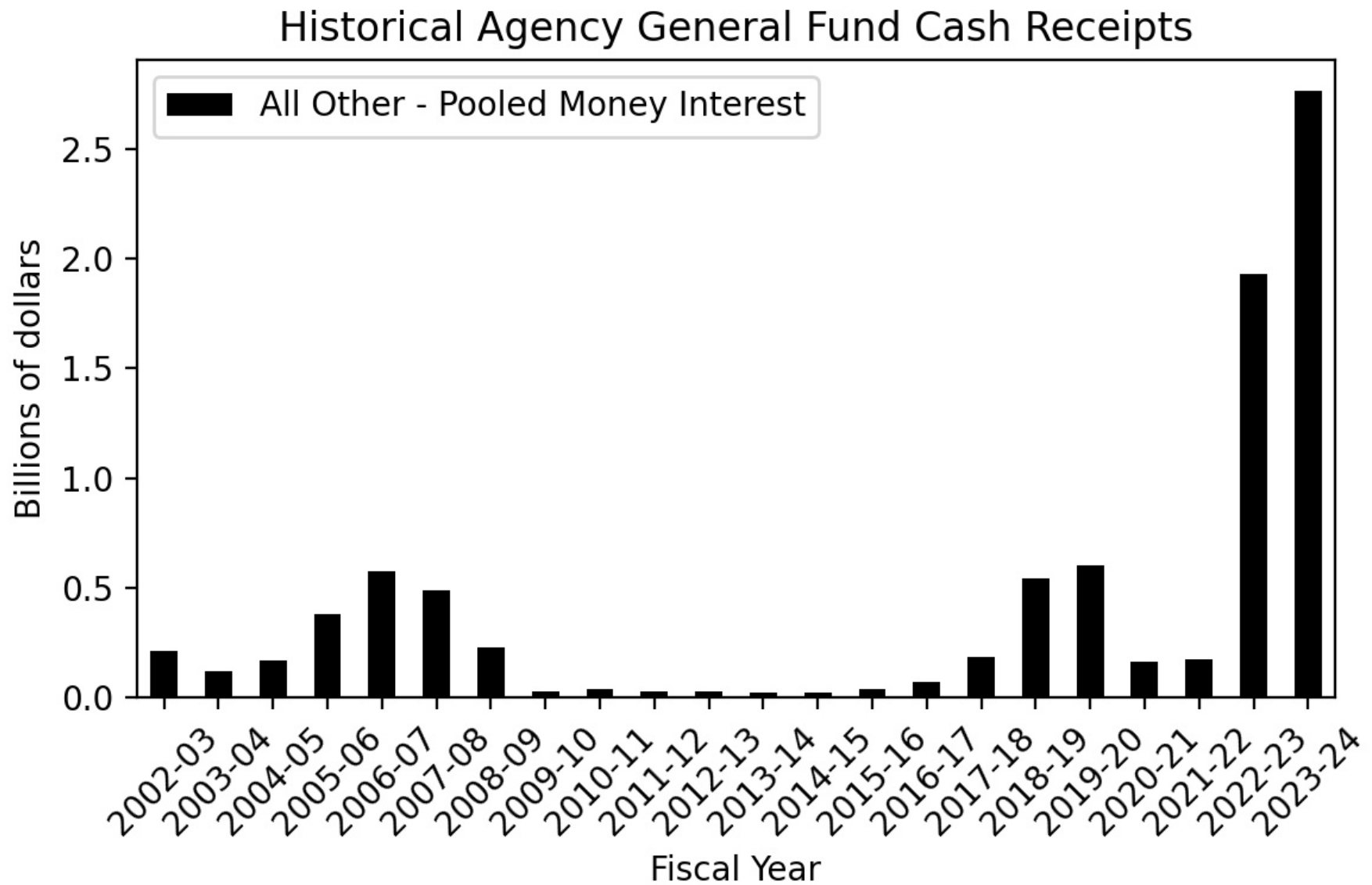


Figure 185

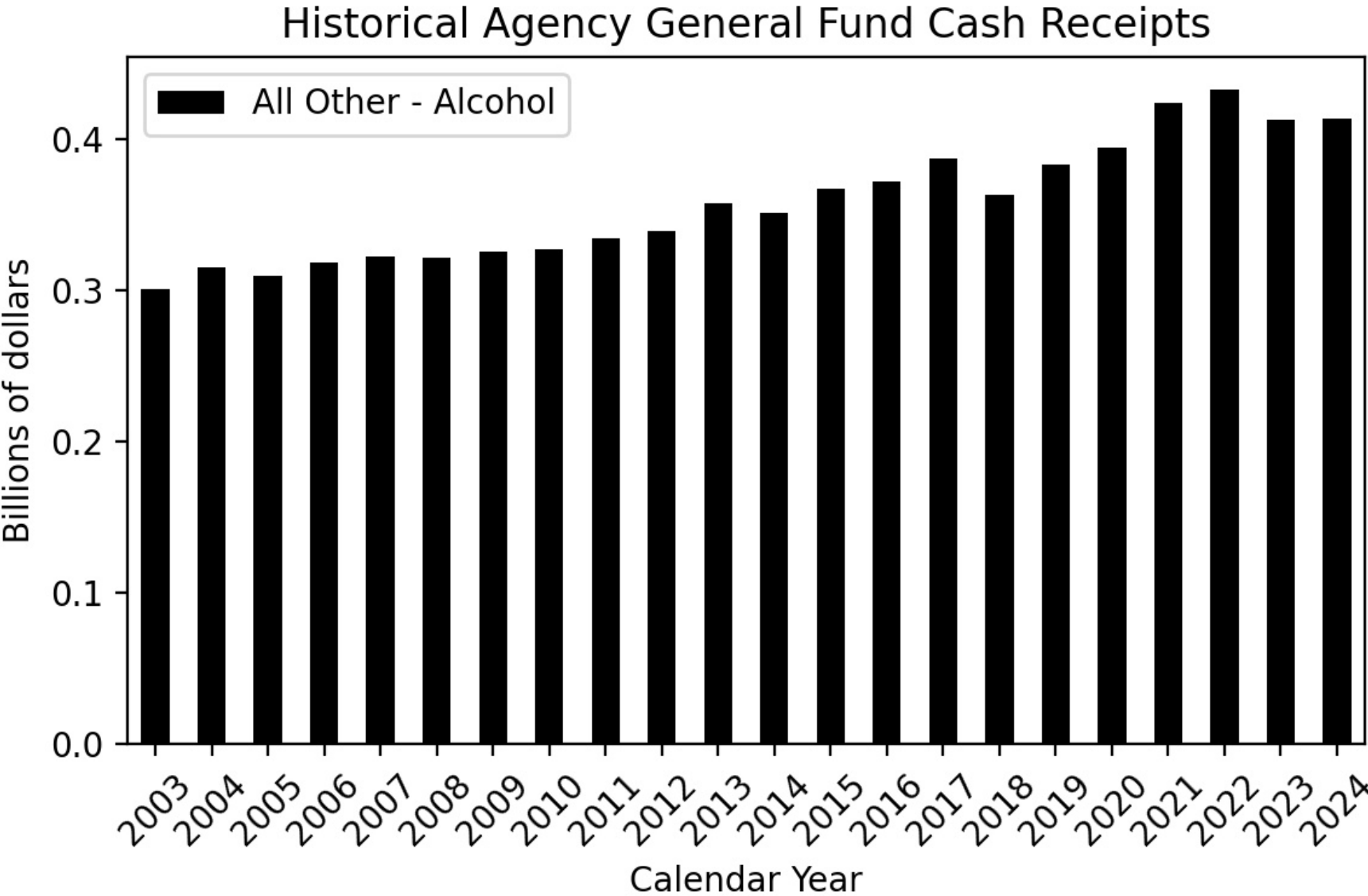


Figure 186

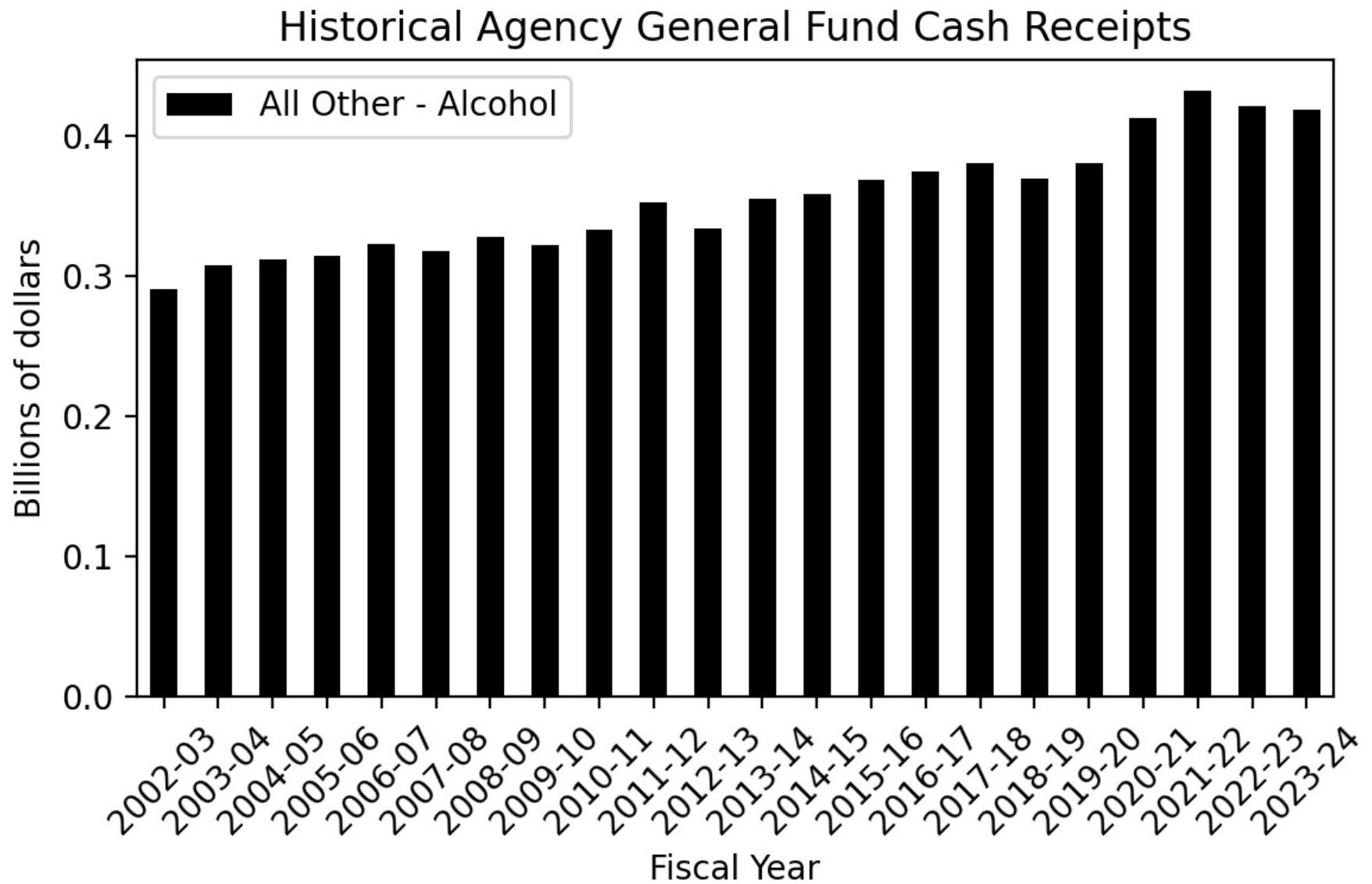


Figure 187

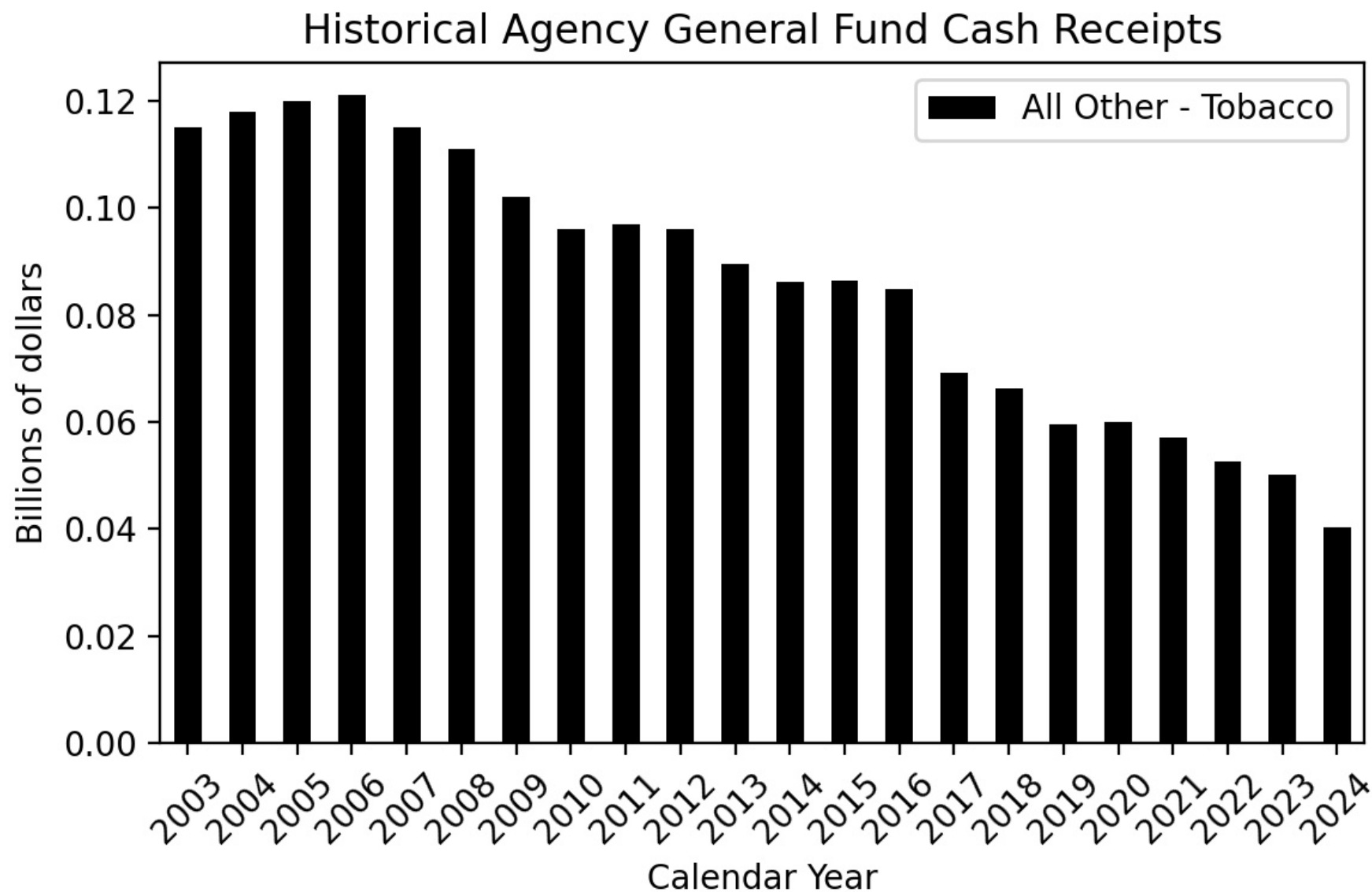


Figure 188

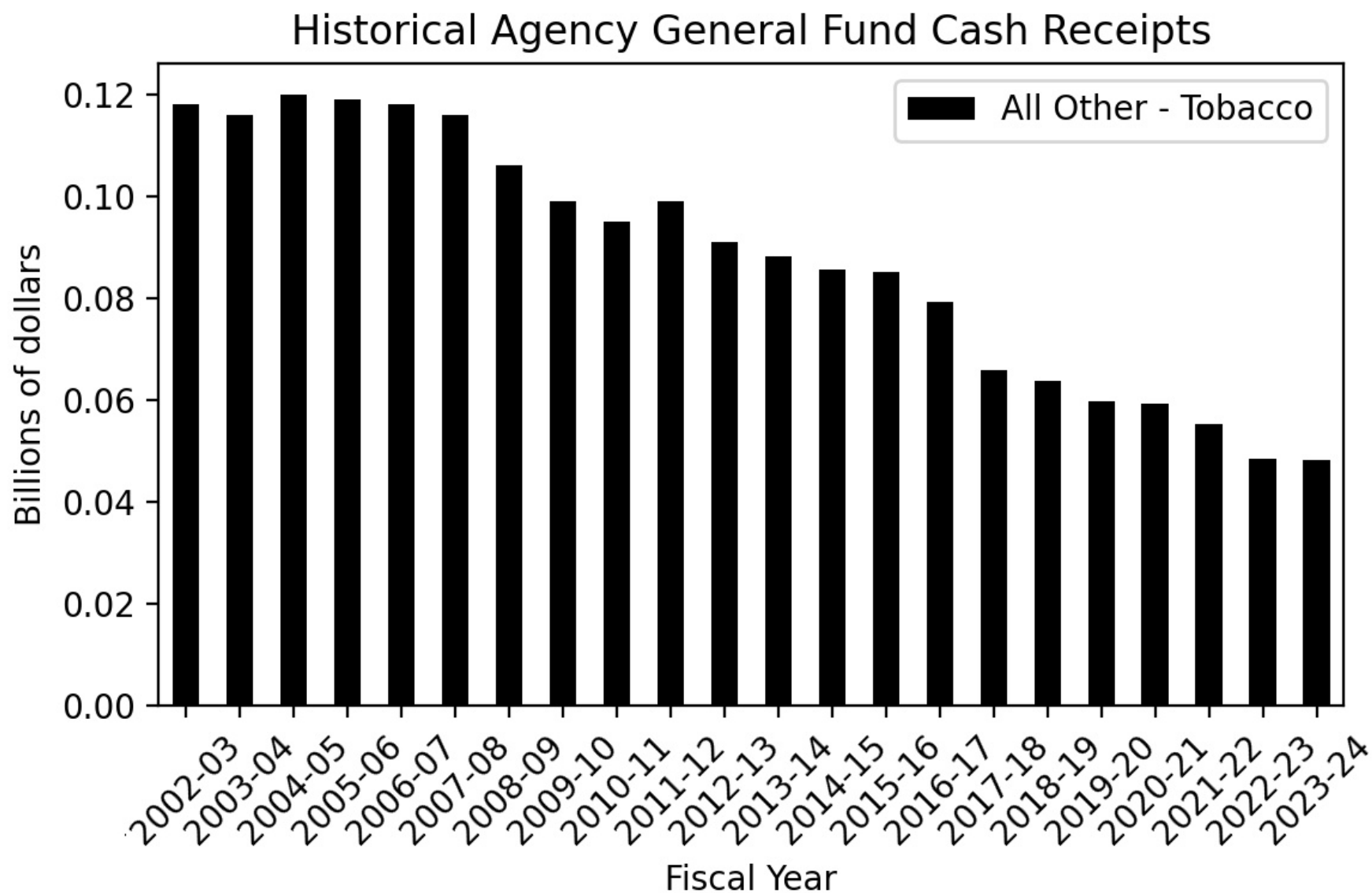


Figure 189

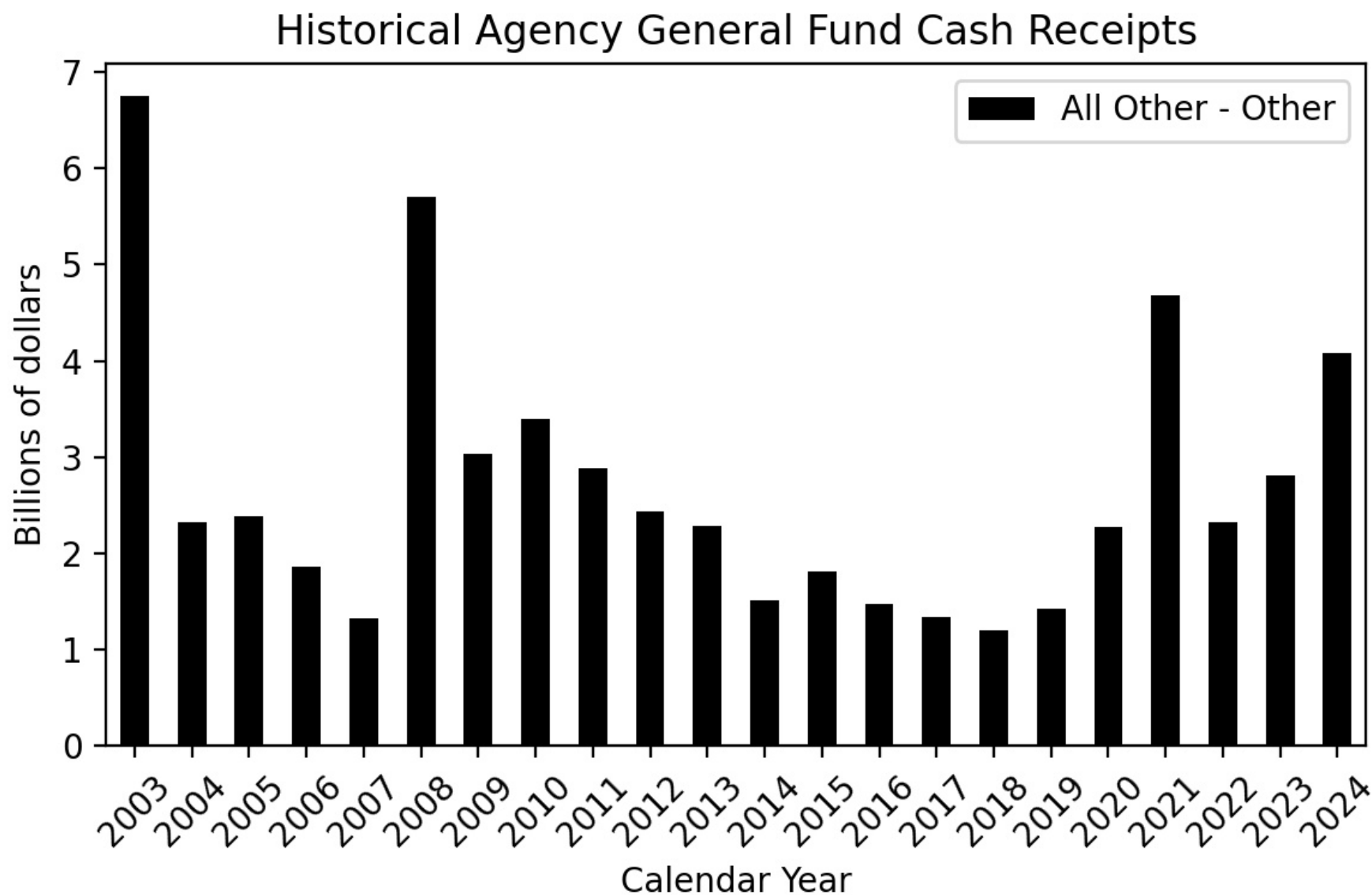


Figure 190

